

MEMORANDUM

JUNE 25, 1981

TO: BOSTON REDEVELOPMENT AUTHORITY

FROM: ROBERT J. RYAN, DIRECTOR

SUBJECT: REQUEST AUTHORIZATION TO EXECUTE AN AGREEMENT WITH THE
MASSACHUSETTS PORT AUTHORITY FOR EAST BOSTON PIERS 1 - 5

On February 26, 1981, the Authority authorized the Director to enter into a Cooperation Agreement with the Massachusetts Port Authority with regard to MassPort owned properties in East Boston, known as Piers 1 - 5.

That initial Cooperation Agreement was the first step in negotiating and finalizing an Agreement whereby MassPort would transfer planning and development responsibilities of the 56 acre site to the BRA. Under this new Agreement, the BRA will be responsible for formulating a planning, development, and financing program; designating parcels for development; selecting developers; entering into leases with designated developers jointly with MassPort; and monitoring the construction and development process.

This new Agreement is in two phases. The first phase is the period following the Agreement commencement date and will involve the preparation of a Development Plan by the Authority for the East Boston Piers. The Development Plan will consist of a designation of development parcels, a development schedule, provisions for public access to the waterfront, public open space and park areas, land uses and building densities, public improvements program, financial plan, and recommended developer selection criteria.

Upon the completion of the initial planning process and any environmental reporting which may be required to permit this Agreement to become effective as a lease, the second phase of the program begins at that date, namely the Lease Commencement Date. During this second phase, or lease period, the BRA will commence site improvements and subsequently sub-lease to designated developers in accordance with the provisions of the lease. Sub-leases with developers will be entered into jointly by BRA and MassPort and may be for a term of up to sixty five years, which may include an initial forty year sub-lease with an option for an additional twenty five years. At the request of the Authority, longer initial sub-lease periods may be approved, depending upon the type of development and financing requirements.

The BRA will monitor the development process and upon completion of any individual development, will issue a Certificate of Completion, at which time the developer or tenant will become the prime lessee of MassPort, and the Authority's leasehold interest in the parcel will cease.

Throughout the planning and development process, the Authority will work closely with a Project Area Committee, which will be formed to represent the East Boston community. The Project Area Committee will be involved in all aspects of the planning and development process, including review of all interim sub-leases of property which may be requested by MassPort, review of the Development Plan, and review of developer submissions.

MassPort will reimburse the Authority for costs incurred with respect to this planning and development project in an amount not to exceed \$700,000 for the duration of the Agreement.

On June 9, 1981, the Board of the Massachusetts Port Authority approved the execution of the Agreement for East Boston Piers 1 - 5.

It is, therefore, recommended that the Director be authorized to execute the Agreement with the Massachusetts Port Authority concerning the planning and development of the East Boston Piers.

VOTED: That the Director be and hereby is authorized to execute and deliver the Agreement with the Massachusetts Port Authority for the properties in East Boston known as Piers 1 - 5, substantially in the form as attached hereto and that the Director be and hereby is authorized to periodically bill the Massachusetts Port Authority for reimbursements under the terms of this contract.

June 9, 1961

cc Comm: Robert Ryan.
Boston City Hall
Boston, Mass.

Dear Bob,

I am very much in favor of the B.R.A. and the Massport Together on the development of Parc 1-4 in East Boston. It will also bring more jobs and taxes for the City of Boston. I also firmly believe the Community should be involved in this process.

Between the B.R.A. the Community and the Massport, Together we should have a great development there and come up with something we will all be proud of.

Sincerely,

Anna De Fronzo

12 Lamson Court

East Boston



JEFFRIES POINT HARBORSIDE NEIGHBORHOOD ASSOCIATION

June 8, 1981

Mr. Robert J. Ryan
Boston Redevelopment Authority
One City Hall Square
Boston, Massachusetts 02201

Dear Mr. Ryan,

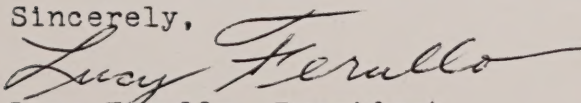
The Jeffries Point Harborside Neighborhood Association is most pleased that the Boston Redevelopment Authority has entered into a Cooperation Agreement with Massport concerning Piers 1-5. Although it has always been the community's hope that a complete divestiture on the part of Massport would take place, it is our understanding that the agreement, as it now stands, would at least place the possibility of development with the BRA rather than leaving it to the Massport Board. For this we applaud it as a step in the right direction and hope that all final agreements can be reached as quickly as possible. We must, however, emphasize that the East Boston Recreation Master Planning Land-Use Advisory Council be fully involved and completely informed and, above all, instrumentally involved in the composition and structuring of any Project Area Committee or advisory group that might be envisioned. Their long history as the forum for local participation can not be ignored.

A sub-committee of the Land-Use Council has had countless meetings with Massport staff and Board members on the Pier issue as well as other issues that are of major concern to this neighborhood. We feel it is important to note that many issues are now being addressed because of their past involvement.

Our JPHNA as immediate abutters to the project area is most concerned with its involvement in the planning and development of Piers. Because of the close proximity to our homes that the members of this association have lived in all their lives, we feel that we must also play an important part in the formation of a P.A.C..

This association has been a great supporter of the BRA in the past and has found the agency most cooperative and helpful. We want to work with the Authority as we have in the past to accomplish planning and development in the best interest of the neighborhood and the City. We ask that you execute an agreement with Massport so that planning for the East Boston Waterfront can begin in earnest.

Sincerely,


Lucy Ferullo, President

Lucy Ferullo
23 Haynes St.
East Boston, Ma. 02128

June 8, 1981

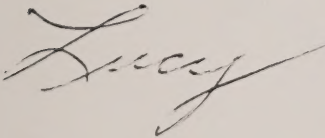
Mr. Robert J. Ryan
Boston Redevelopment Authority
One City Hall Square
Boston, Massachusetts 02201

Dear Bob,

It has come to my attention that the Boston Redevelopment Authority is scheduling a vote on the East Boston Piers 1-5 this Thursday. I would like to express my endorsement and support of the Authority entering into an agreement that will assure significant community input into the planning and development of our fallow waterfront land. This neighborhood and I personally have waited for years to see our Piers developed in the interest of the neighborhood and the City and feel that your Authority is the appropriate entity to carry out the task.

I urge that an agreement be executed so that planning for our East Boston Waterfront can proceed as soon as possible. I look forward to working with you.

Sincerely,

A handwritten signature in cursive script, appearing to read "Lucy", written in dark ink.

193 Webster Street
East Boston, Ma. 02128
June 6, 1981

Mr. Robert J. Ryan, Executive Director
Boston Rehabilitation Authority
1 City Hall Square
02201

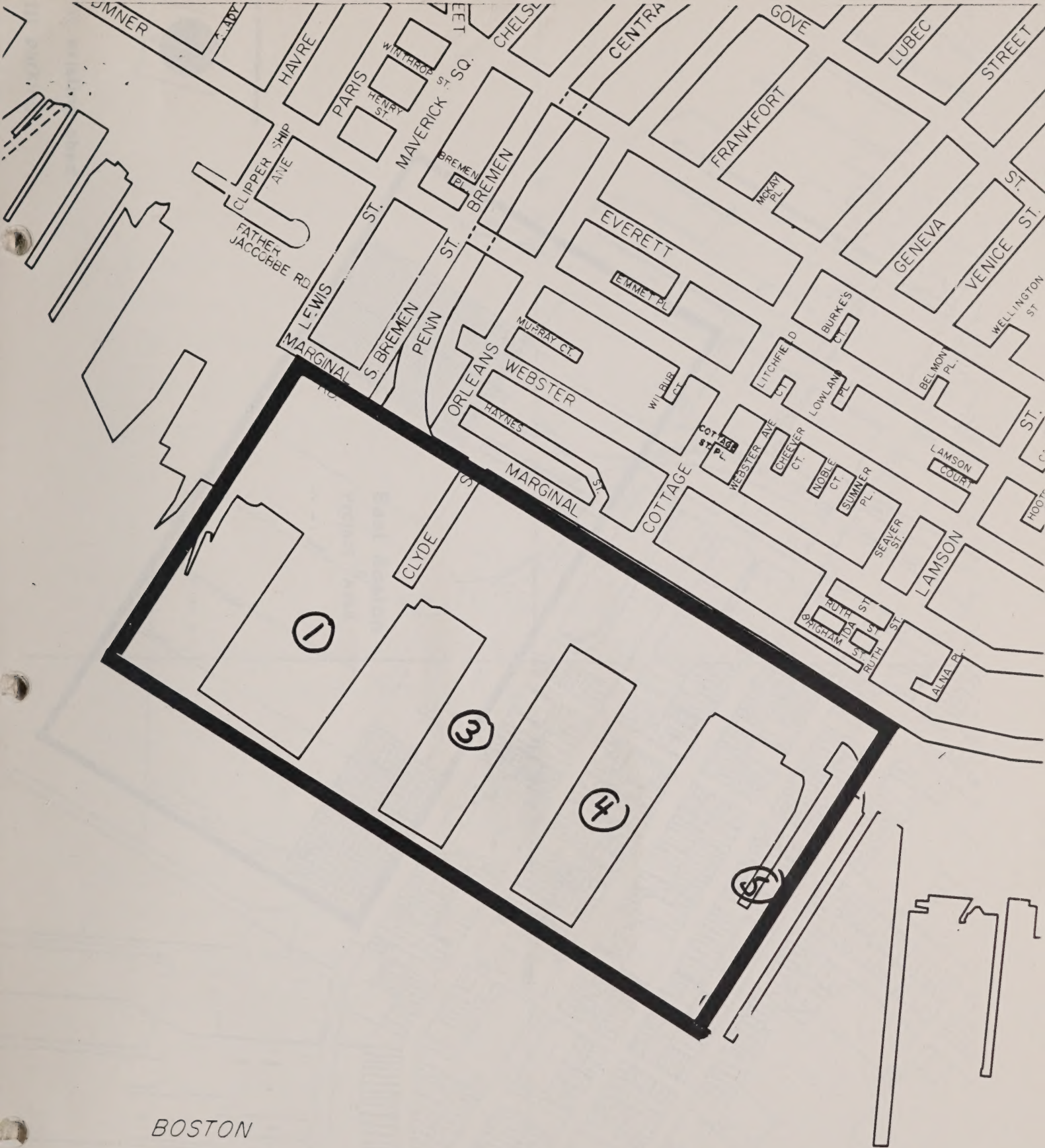
Dear Mr. Ryan:

My husband, Geoffrey C., and I are extremely interested in the East Boston piers and feel that the BRA is attuned to the needs of East Boston as well as the city and state. We are aware that negotiations are now being carried out between Massport and the BRA.

And, we wish to go on record that we feel the BRA is the appropriate agency to be in charge of developing the piers.

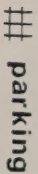
Sincerely,

Evelyn W. Farrum
Evelyn W. Farrum



BOSTON

EAST BOSTON PIERS 1-5



East Boston
Project Area

100

MO 1214

LOGAN

AGREEMENT

THIS AGREEMENT made and entered into as of the ____ day of _____, 1981 by and between MASSACHUSETTS PORT AUTHORITY, a body politic and corporate organized under the laws of the Commonwealth of Massachusetts ("MPA"), and BOSTON RE-DEVELOPMENT AUTHORITY, a public body politic and corporate organized under the laws of the Commonwealth of Massachusetts ("BRA").

WITNESSETH

PRELIMINARY STATEMENT

The parties hereto recognize and recite the following facts, conditions and determinations upon which the covenants and agreements herein are based.

MPA is the owner of the Premises (as hereinafter defined) which were acquired by it under its enabling legislation as part of certain port properties within the Port of Boston to serve as a point of intermodal transfer of general cargo between ocean vessels and inland rail transport. MPA has determined that other facilities will accommodate expected future demand for general cargo and containerized cargo terminal services and that the Premises presently are not needed for their original acquisition purpose and will not be so needed for such period of time as reasonably can be predicted. In addition, MPA and BRA have determined that redevelopment of the Premises would be an

enhancement to the East Boston community and the City of Boston as a whole and that the investigation of and planning for such development can best proceed under the jurisdiction of BRA with the cooperation of MPA and participation by the East Boston community as hereinafter provided.

BRA has agreed to perform such plans and studies of the Premises as it deems necessary to identify the feasibility of redevelopment and appropriate redevelopment uses and intends to prepare a development plan for the Premises. If MPA approves the development plan and all necessary environmental approvals are obtained, BRA will select developers to implement the development plan. At its election, BRA will either enter into subleases with developers or other arrangements upon terms agreed upon by BRA and MPA. Under all circumstances MPA will retain the fee interest in the Premises in order to provide for future requirements of MPA if the Premises are needed for their original acquisition purpose or other Port of Boston purposes.

NOW, THEREFORE, in consideration of the mutual promises herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor and Lessee hereby agree as follows:

ARTICLE I

DEFINITIONS

As used in this Agreement, the following terms shall have the following meanings and references:

1.1 "Act". "Act" shall mean the Massachusetts Acts of 1956, Chapter 465 as amended from time to time.

1.2 "Agreement". "Agreement" shall mean this Agreement.

1.3 "Agreement Year". "Agreement Year" shall mean the twelve month period commencing on the Agreement Commencement Date and each anniversary thereof.

1.4 "Area of BRA's Responsibility". "Area of BRA's Responsibility" shall mean any part of the Premises that MPA has delivered to BRA in accordance with Section 4.2 but shall not include any other part of the Premises on which BRA's activities are limited to entrance on the Premises solely for engineering, surveying, architectural or similar studies.

1.5 "Area of MPA's Responsibility". "Area of MPA's Responsibility" shall mean any part of the Premises other than the Area of BRA's Responsibility.

1.6 "Agreement Commencement Date". Agreement Commencement Date shall mean the later to occur of the date on which this Agreement is executed and delivered or the date on which this Agreement is delivered out of any escrow agreed to by MPA and BRA.

1.7 "Development Land". "Development Land" shall mean that developable portion of the Premises on which improvements can be constructed in accordance with the Development Plan including without limitation improvements on or in the water such as marina uses.

1.8 "Development Parcel". "Development Parcel" shall mean any parcel of land or water area within the Project Area so designated in the Development Plan or, if no parcelization is provided for in the Development Plan, the Premises.

1.9 "Development Plan". "Development Plan" shall mean the development and land use plan for the Premises to be prepared by BRA in accordance with the provisions of this Agreement and applicable law and shall include without limitation the elements set forth in Section 3.4.

1.10 "Existing Improvements". "Existing Improvements" means any buildings or improvements located or existing in, on or upon the Premises, including piers and improvements thereon, as of the date of this Agreement.

1.11 "Extended Termination Date". "Extended Termination Date" shall mean that date determined in accordance with Section 2.3.

1.12 "Improvements". "Improvements" means any building or improvement permitted to be built or rebuilt in, on or upon the Premises in accordance with the Development Plan.

1.13 "Lease Commencement Date". "Lease Commencement Date" shall mean the date on which all of the environmental permits, licenses and approvals required to permit this Agreement to become effective and the Development Plan to be adopted have been obtained, which date in any event shall be no earlier than the date on which the Development Plan is approved in accordance with Section 3.5.

1.14 "Mortgage". "Mortgage" shall mean any one or more mortgages, deeds of trust, deeds to secure debt, loan deeds, trust indentures, security agreements or any similar security or title retention device which shall, from time to time, create a lien upon the Sublease interest of any Sublessee and which shall be security for one or more notes, bonds, or other evidences of indebtedness issued by any Sublessee to a Mortgagee or held by a Mortgagee.

1.15 "Mortgagee". "Mortgagee" shall mean any lender, or its designee, in whose favor a Mortgage shall have been created, or trustee named therein.

1.16 "PAC". "PAC" shall mean the East Boston Project Advisory Committee.

1.17 "PAC Contract". "PAC Contract" shall mean the contract between the PAC and BRA to be entered into in accordance with Section 3.1.

1.18 "Premises" or "Project Area". "Premises and Project Area" are used interchangeably herein and mean the land and water area more particularly described in Exhibit A.

1.19 "Prime Lease". "Prime Lease" shall mean any Sublease that becomes a prime lease between MPA and any Sublessee upon the issuance of a Certificate of Completion in accordance with Section 9.7.

1.20 "Project". "Project" means the project to be carried out in accordance with this Agreement and the Development Plan.

1.21 "Sublease". "Sublease" means any sublease between BRA and any Sublessee for any part of the Premises executed and delivered in accordance with this Agreement.

1.22 "Sublessee". "Sublessee" means any sublessee under any Sublease.

1.23 "Term". "Term" shall be the period described in Article II.

1.24 "Work Program". "Work Program" shall mean the items of work necessary to accomplish the Project, the essential elements of which are set forth in Exhibit B.

ARTICLE II

TERM

2.1 Term. Unless sooner terminated as herein provided, the Term of this Agreement shall be for the period commencing on the Agreement Commencement Date and ending at midnight on that date seven years from the Agreement Commencement Date unless the Term is extended to the Extended Termination Date in accordance with Section 2.3 in which event the Term shall end on such date; provided, however, that with respect to any Development Parcel as to which a Sublease has been approved by MPA in accordance with Section 11.5 prior to that date seven years from the Agreement Commencement Date or the Extended Termination Date, the Term of this Agreement shall continue until a Certificate of Completion for such Development Parcel has been issued by BRA in accordance with Section 9.7 at which time this Agreement shall automatically

terminate as to such Development Parcel, and such Sublease shall become a Prime Lease.

2.2 Early Termination Date. At any time at least four years following the Agreement Commencement Date, MPA may (a) terminate this Agreement or (b) suspend its obligation to make any payments under Section 3.2 for such period as MPA shall determine, if it determines that BRA has not made adequate progress toward completion of the Work Program provided MPA first notifies BRA that it is contemplating termination under this Section 2.2 and provides BRA with thirty days within which BRA shall have the opportunity to demonstrate to MPA that such progress has been made. For purposes of this Section 2.2 adequate progress shall be deemed to have been made if the Development Plan has been approved or treated as having been approved in accordance with Section 3.5.

2.3 Extended Termination Date. MPA shall extend the Term of this Agreement as hereinafter provided if BRA makes a request therefor not less than six or more than six and one-half years from the Agreement Commencement Date and demonstrates to the reasonable satisfaction of MPA that BRA has made adequate progress in carrying out the objectives of this Agreement, in which event the Extended Termination Date shall be that date not less than seven years from the Agreement Commencement Date as MPA may have set forth in a notice to BRA informing BRA of an extension as herein provided. For purposes of this Section 2.3,

MPA may determine that adequate progress in carrying out the objectives of this Agreement has not been made if, without implied limitation, Phases I-V, inclusive, of the Work Program set forth in Exhibit B have not been completed. Notwithstanding anything set forth in this Section 2.3 or Section 2.1, the Term of this Agreement shall terminate no later than the latest stated maturity of any then outstanding bonds of MPA or any later date then permitted by law.

2.4 Dissolution of MPA. The Term of this Agreement or any Sublease shall not be affected by or end as a result of the dissolution of MPA or transfer of its properties to the Commonwealth or to any successor in title, but the Term and the leasehold estate created hereby shall continue in effect, notwithstanding such dissolution or transfer.

ARTICLE III

BRA'S PLANNING ACTIVITIES

3.1 East Boston Project Advisory Committee. Attached hereto as Exhibit C are certain provisions which MPA and BRA have agreed will be contained in substantially the same form in an agreement to be entered into between BRA and the PAC. If the PAC Contract containing such terms and such other terms as BRA and the PAC may agree to not inconsistent therewith or in violation of the intent thereof has not been fully executed and delivered, and conformed copies thereof delivered to MPA, on or before September 1, 1981, this Agreement shall terminate

immediately upon notice from MPA to BRA. From and after the execution and delivery of the PAC Contract, BRA shall perform its obligations thereunder in accordance with the terms of the PAC Contract and shall not enter into any material modification of any of the provisions included in the PAC Contract that are required in accordance with Exhibit C, or their legal effect, without the consent of MPA.

3.2 Reimbursement of BRA's Costs. So long as BRA is not in default hereunder, periodically upon the furnishing of a statement therefor together with reasonable supporting detail, MPA shall reimburse BRA for its costs incurred in connection with the planning and other costs of the Project and, following any approval of the Development Plan, in connection with the development and implementation of the Project as herein provided, limited in any event to a maximum of ONE HUNDRED THOUSAND DOLLARS (\$100,000) per year; provided, however, that MPA's liability hereunder shall be limited to SEVEN HUNDRED THOUSAND DOLLARS (\$700,000), but, at any time after the end of the third year from the date hereof, on request of BRA, MPA will review such \$100,000 and \$700,000 limitations and in its sole discretion will increase such amounts if it finds that there is adequate justification and funds available therefor. Costs reimbursed hereunder may include BRA's overhead and personnel costs, fees and costs of consultants retained by BRA, and any amounts paid by BRA to the PAC to reimburse it for its expenses relating to the Project including

without limitation fees of its consultants, and shall be paid by MPA within thirty days of a request therefor by BRA. If BRA does not use all of such \$100,000 (or increased amount as aforesaid) in any year, MPA shall cumulate such unused portions for use by BRA in any subsequent Agreement Year. Upon request of BRA, MPA will consider, and respond within thirty days to, any request by BRA or the PAC that MPA increase the funds available under this Section 3.2.

3.3 Planning Activities. BRA shall conduct such investigations and prepare such studies, surveys and plans as it deems necessary or desirable for the purpose of preparing the Development Plan and, subject to approval by MPA of the Development Plan, selecting Sublessees to develop the Premises or part thereof in accordance with Article XI. In furtherance of the foregoing, BRA may investigate, test and report on methods and techniques to develop the Premises and may engage in any land use, planning, engineering, architectural and surveying reports and studies of the Premises. For purposes of carrying out its activities under this Section 3.3, BRA and its agents, contractors and consultants may enter the Premises at any time, subject to the rights of Existing Tenants (as defined in Section 8.1) and may store or permit the storage on the Premises of any equipment and materials used in connection therewith.

3.4 Work Program; Development Plan. On or about January 1 of each year and up to two additional times each year on request

of MPA, BRA shall submit a report to MPA setting forth the status of the items of work on the Work Program and BRA's anticipated schedule of completion for each item. Promptly following the Agreement Commencement Date, BRA shall commence preparation of the Development Plan and shall proceed as expeditiously as practicable to finalize the Development Plan. The Development Plan shall include in any event (a) a description of any Development Parcels for development or subleasing purposes, and the total square footage of Development Land, (b) a development schedule including proposed completion dates for construction of the Improvements and any proposed separate phasing of public and private construction, (c) a provision terminating the Development Plan as to any Development Parcel upon the later to occur of the expiration of any Sublease for such Development Parcel or the expiration or earlier termination of this Agreement, (d) a right of public access from the land to significant portions of the waterfront, (e) provision for public open or park area and the maintenance and care thereof, (f) a description of any other permitted land uses and redevelopment and maximum building densities, (g) a description of any Improvements to be undertaken by BRA or any other public entity, (h) a financing plan analyzing and identifying the anticipated costs, methods and sources of financing the construction of Improvements, it being the parties' understanding, however, that such plan shall be prepared in such detail as is practicable at the time but shall be further refined

and submitted to MPA for approval prior to the execution and delivery of any Sublease, and (i) any developer selection criteria to be followed by BRA other than those set forth in this Agreement. Following the approval of the Development Plan, BRA shall enforce all of the provisions of the Development Plan and perform all of the provisions of the Development Plan required by the terms thereof to be performed by it.

3.5 MPA's Right to Reject the Development Plan. Upon its completion, BRA shall submit the Development Plan to MPA for its approval. The Development Plan as submitted shall be treated as having been approved by MPA unless, not later than sixty days after BRA's submission of the Development Plan, MPA shall reject the Development Plan and notify BRA of the specific reasons for its rejection in sufficient detail to permit BRA to respond to such reasons for rejection in any resubmission. Any approval of or failure to reject the Development Plan, as herein provided, shall be deemed to be approval of the Development Plan for all purposes of this Agreement. No approval of the Development Plan shall relieve BRA of its obligation to engage only in such uses as are permitted by law. In respect to any such specific reason for rejection, BRA may resubmit the Development Plan altered in an effort to remove the basis for rejection. Any resubmissions and subsequent reviews thereof shall be made and given in accordance with the procedure hereinabove provided for the original submission. The provisions of Section 17.9 shall not

apply to MPA's right to reject the Development Plan contained in this Section 3.5.

ARTICLE IV

LEASE OF PREMISES

4.1 Lease of Premises. On the Lease Commencement Date, subject to Section 11.8, this Article IV and the provisions of Articles V, VI, VII, VIII (portions of which in accordance with Article VIII apply also prior to the Lease Commencement Date), IX, X, XI and XII shall become effective and, as of such date, together with such other provisions of this Agreement as may be applicable, shall govern the lease of the Premises by BRA. Subject as aforesaid, MPA, for and in consideration of the rents, covenants and agreements herein reserved, mentioned and contained on the part of BRA to be paid, kept, observed and performed by these presents hereby leases, rents, lets and demises unto BRA, and BRA hereby takes and hires, upon and subject to the conditions and limitations hereinafter expressed the Premises, to have and to hold the Premises, subject as aforesaid, and subject to the terms, covenants, agreements and provisions hereof, unto BRA for the uses and purposes set forth herein for the Term.

4.2 Delivery of Premises to BRA. Following the Lease Commencement Date, MPA shall deliver to BRA free and clear of all tenants and occupants any portion of the Premises within one hundred and twenty days of a request therefor by BRA. If such portion of the Premises is leased to an Existing Tenant under a

lease or tenancy approved by BRA under Section 8.1 in accordance with which the Existing Tenant may not be required to vacate its premises within one hundred and twenty days, MPA shall deliver such premises upon the termination of such lease or tenancy free and clear of any such Existing Tenant as aforesaid. In connection with the foregoing, MPA and BRA acknowledge their intent that such termination of tenancies of Existing Tenants will be phased by BRA insofar as practicable in a manner that will maximize the income that may be derived by MPA from interim uses of the Premises by Existing Tenants, taking into consideration in addition any approval or disapproval of such termination by the PAC and consistency of any such Existing Tenant's use with the schedule, uses and program set forth in the Development Plan. In any event, BRA will coordinate such requests for delivery of such portions of the Premises to coincide as nearly as practicable with occupancy of any such portion by a Sublessee or the commencement of site preparation by BRA.

4.3 Area Retained by MPA. Having been requested to do so by MPA, BRA agrees that the lease of the Premises hereunder by MPA is subject to the retention by MPA of:

(a) the right to permit the construction of the "Third Harbor Crossing" in the so-called "Third Harbor Crossing Area" shown on Exhibit D attached hereto and

(b) the right to prohibit the construction of any Improvement by BRA or any Sublessee in the Third Harbor Crossing Area

and in the land area adjacent to the Third Harbor Crossing Area (shown on Exhibit D as the "Buffer Area") to the extent that such construction would materially (i) impair, (ii) interfere with, (iii) impede or (iv) increase the cost of, the construction of the Third Harbor Crossing. If (A) MPA notifies BRA that MPA has received notice from either the Massachusetts Turnpike Authority or the Massachusetts Department of Public Works that the Third Harbor Crossing Area is no longer needed for the purpose of constructing the Third Harbor Crossing, or (B) a period of five years has elapsed from the date of this Agreement and MPA has received no such notice from the Massachusetts Turnpike Authority or the Massachusetts Department of Public Works; then the Third Harbor Crossing Area shall become part of the Premises, and such area, the Buffer Area and BRA shall no longer be subject to the foregoing provisions of this Section 4.3 but shall be subject to all other terms and provisions of this Agreement. If within said five-year period MPA receives notice from either the Massachusetts Turnpike Authority or the Massachusetts Department of Public Works that a firm and final decision has been made (with such approval of the Federal Highway Administration as may be required) that the Third Harbor Crossing, if constructed, will be constructed within the Third Harbor Crossing Area, then the restrictions of this Section 4.3 shall continue throughout the term of this Agreement or any Sublease. The Development Plan shall be consistent with the provisions of this Section 4.3.

4.4 Entry by MPA. MPA may enter into any part of the Premises that has become an Area of BRA's Responsibility at all reasonable times for the purpose of inspecting the same in order to determine whether BRA is in compliance with this Agreement or for exercising any other rights retained by MPA hereunder. Such right of entry does not impose, and MPA does not assume, any responsibility or liability for the repair, maintenance or supervision of the Premises except as otherwise expressly provided in this Agreement.

4.5 Quiet Enjoyment. If and so long as BRA shall observe and perform all covenants, agreements and obligations required by BRA to be observed and performed hereunder, MPA or any person claiming under or through MPA shall not interfere with the lawful, peaceful and quiet occupation and enjoyment of the Premises by BRA for the purposes and uses herein permitted, subject, however, to the rights of MPA and Existing Tenants as provided in Section 8.1.

4.6 Reversion to MPA. Subject to the rights of any Sublessee whose Sublease has become a Prime Lease in accordance with Section 9.7 and which continues in full force and effect, it is the express understanding of MPA and BRA that upon expiration or earlier termination of this Agreement, MPA will be free to devote the Premises or part thereof to Port of Boston, maritime or other uses permitted under the Act free of any restrictions or limitations imposed or permitted to be imposed by the Development Plan

or otherwise by BRA. BRA shall neither do nor permit to be done anything that would impair MPA's right or ability to put to Port of Boston, maritime use or other uses permitted under the Act, the Premises or any portion thereof upon such expiration or termination.

ARTICLE V

TITLE AND CONDITION OF PROPERTY

5.1 Title. The Premises are subject to:

- (a) the existing state of title thereof as of the date hereof;
- (b) any state of facts that an accurate survey or physical inspection thereof might show;
- (c) all laws and regulations now in effect or hereafter adopted by any governmental authority having jurisdiction; and
- (d) the physical condition of buildings, structures and other improvements and any fixtures, located on the Premises as of the date hereof, without representation or warranty of any kind by MPA.

5.2 Condition of Property. MPA hereby expressly disclaims any warranties of any nature, express or implied, as to the structural integrity of the Premises, and any other warranties of any nature, express, implied or otherwise except as expressly set forth in this Agreement, and BRA hereby accepts the Premises "as is". MPA represents and warrants that the Premises are free and clear of all tenants and occupants except Existing Tenants (as defined in Section 8.1).

ARTICLE VI

RENT

6.1 Rent. BRA covenants to pay to MPA, at MPA's address for notices set forth in Section 17.5 hereof or at such place or to such person as MPA from time to time may designate in writing by notice to BRA, for the Premises, commencing on the Lease Commencement Date and on each anniversary thereof throughout the Term, an annual rental equal to ONE DOLLAR (\$1.00). Prior to the submission of any Sublease to MPA for approval hereunder, BRA and MPA shall determine or cause to be determined the rent payable in accordance with Exhibit E, and BRA shall include in any such Sublease provisions requiring payment to MPA of the amounts determined in accordance with Exhibit E and permitting direct enforcement by MPA of such payment by any Sublessee.

6.2 Additional Rent. BRA covenants to pay and discharge when the same shall become due, as additional rent, all other amounts, liabilities and obligations which BRA by or pursuant to this Agreement assumes or agrees to pay or discharge, together with every fine, penalty, interest and cost which may be added for nonpayment or late payment thereof, and in the event of any failure on the part of BRA to pay or discharge any of the foregoing, MPA shall have all rights, powers and remedies as are provided herein or by law in the case of nonpayment of the rent or additional rent.

ARTICLE VII

USE OF PREMISES

7.1 BRA's Uses. Following the Lease Commencement Date, BRA may use the Premises for any lawful use permitted under the Development Plan including without limitation construction of any Improvements as therein provided and subleasing in accordance with the terms of this Agreement. All net income derived by BRA from any use of the Premises by it shall be paid to MPA except as otherwise agreed by MPA, subject, however, to payments required to be made by any Sublessee to BRA under applicable law. For purposes hereof net income shall mean all income as aforesaid less processing, filing, permit, approval, and related fees and charges by any Sublessee to BRA incident to developer solicitation, selection, Project commencement and other approvals of BRA, so long as the same are of uniform application to comparable projects.

ARTICLE VIII

EXISTING TENANTS

8.1 Existing Tenants. The provisions of this Article 8.1 shall apply insofar as the context of their use permits prior and subsequent to the Lease Commencement Date. BRA hereby takes the Premises subject to the rights of those existing tenants of MPA listed on Exhibit F; limited, however, to such rights of such existing tenants as are described on Exhibit F or in leases or other agreements referred to therein that are initialed and dated by the parties hereto and delivered simultaneously herewith to

BRA. MPA hereby represents and warrants to BRA that all leases, tenancies and licenses of existing tenants and the rights of existing users of the public marine terminal operated by MPA (which for convenience of reference are referred to herein as tenancies) are terminable at will on thirty days notice or less or are for terms of one year or less and terminable on no more than thirty days notice at the end of any such term. Until commencement of the first construction of an Improvement under the Development Plan and thereafter so long as consistent with the actual phasing of development construction thereunder, MPA may enter into new tenancies with new or additional tenants or public marine terminal users and may enter into extensions of existing tenancies, enabling it to intensively use the Premises and derive revenues therefrom, so long as the same (a) are approved by BRA for consistency with actual construction phasing then anticipated or (b) are terminable by MPA on thirty days notice or less. Any such new tenancy or extension shall (i) require such tenant to move or relocate its operations at its expense in such manner as reasonably may be necessary to permit BRA and its agents access to the Premises or part thereof for study, surveying, engineering or architectural work, relating to the preparation or, after approval, implementation of the Development Plan, and (ii) be accompanied by waivers of the rights of any such tenant to any relocation assistance as may then be available in such form as may be specified by BRA. If

MPA shall request BRA to approve any tenancy or extension as aforesaid and BRA shall fail or refuse to do so within thirty days of a request by MPA, BRA shall provide MPA with a statement in adequate detail indicating why such tenancy or extension is not consistent with actual development phasing then anticipated. If BRA shall fail or refuse to provide such a statement within thirty days of a request therefor by MPA, such approval shall be deemed to have been granted. Those existing tenants of MPA listed in Exhibit F and existing users of the public marine terminal and any other tenants or users approved by BRA, and otherwise permitted, under this Section 8.1 are hereinafter referred to as "Existing Tenants".

8.2 Responsibility for Existing Tenants. MPA shall be responsible for and exercise all contractual and other legal obligations owed to any Existing Tenants. MPA shall save BRA harmless and indemnified from any liability for injury, loss, accident, or damage to any person or property, and from any claims, actions, proceedings and costs in connection therewith, including reasonable counsel fees, arising from, made by or relating to, Existing Tenants or any use made or things done by Existing Tenants or anyone claiming under any of them, on or about the Premises, or otherwise occurring thereon, and not due to wrongful act or negligence of BRA or its agents, servants or employees, or any Sublessee whose Sublease has not become a Prime Lease.

ARTICLE IX

CONSTRUCTION OF IMPROVEMENTS

9.1 MPA's Duties. MPA shall not do or permit any construction or make or permit any other improvement or alteration, to any Area of BRA's Responsibility, except as herein provided, without the consent of BRA.

9.2 BRA's Duties. BRA will not do or permit any construction or make or permit any other improvement or alteration, to the Premises, except pursuant to Subleases and in accordance with the Development Plan, or otherwise as may be approved by MPA, but may construct such Improvements as may be permitted to be constructed by it under the Development Plan. BRA shall furnish to MPA all plans and specifications for the Improvements as soon as the same are available and at least as early as such plans and specifications are formally submitted to BRA by any Sublessee or prospective Sublessee or, in the case of Improvements to be constructed by BRA, as soon as such plans and specifications have been prepared. At all times during BRA's review of any Sublessee's design, BRA will (a) furnish MPA with copies of plans, specifications and other design submissions promptly upon receipt from such Sublessee, (b) make available its design staff to meet with MPA's design staff to review such design and (c) provide MPA with periodic opportunities to comment on any Sublessee's design.

9.3 Permits. BRA shall obtain any necessary governmental permit or approval required for construction of the Improvements, and MPA shall cooperate with BRA or any Sublessee in connection therewith, but all expenses thereof shall be borne by BRA or any such Sublessee unless otherwise agreed by MPA. MPA shall prepare or cause to be prepared any environmental impact notice, report or statement required as a condition or incident to the execution of this Agreement. BRA shall prepare or cause to be prepared any other environmental impact notice, report or statement required by law. Each party shall cooperate with the other in connection with the foregoing environmental requirements.

9.4 Site Preparation. MPA and BRA acknowledge that because of unusual site conditions at the Premises certain site improvements may have to be performed prior to any Sublessee development under the Development Plan and that additional demolition and relocation costs may be incurred (all of which costs for purposes of this Section 9.4 are referred to as "site preparation costs"). MPA promptly shall review, consider and respond to any proposal submitted by BRA that it pay up to 50% of such site preparation costs and will evaluate any such proposal on the basis of the residual value of the site as so improved if development as then contemplated is not carried out and the then current availability of MPA's capital funds and its priorities for the use of such funds. MPA expressly acknowledges that any funds provided hereunder by it may be used by BRA as the local share, or part

thereof, for federal, state or other grants for site preparation costs. Nothing in this Section 9.4 shall permit the construction of any Improvements prior to the Lease Commencement Date or any construction by BRA except as permitted in the Development Plan or otherwise agreed by MPA and BRA.

9.5 Other Financial Assistance. MPA and BRA shall cooperate with each other in seeking any third party financial assistance. MPA's obligations hereunder shall be limited to responding promptly to any request by BRA that MPA consent to any application made by BRA, joining in any application made by BRA or submitting in its own name an application prepared by BRA where such consent, joinder or submission in the name of MPA, as the case may be, is necessary in order to qualify for such assistance. Except as otherwise agreed by MPA, MPA shall not be obligated to repay any such financial assistance. Notwithstanding anything herein provided, BRA shall not cause or permit any financial assistance to be made available that would limit MPA's rights under Section 4.6, and MPA's consent to application for third party assistance as herein provided shall not be construed as or result in the waiver of any of MPA's rights under Section 4.6, unless BRA's request for consent expressly requests such a waiver and MPA consents thereto. Notwithstanding anything herein provided, BRA shall save MPA harmless and indemnified from any liability for injury, loss, accident or damage to any person or property, and from any claims, actions, proceedings and costs,

arising from the nonperformance or nonfulfillment of any conditions or covenants of such financial assistance not due to the wrongful act of MPA or its agents, servants or employees.

9.6 Commencement and Completion of Development. BRA will take all steps necessary or appropriate to cause all Sublessees and any other party permitted to perform Improvements under the Development Plan to commence, diligently prosecute and complete their respective portions of the Project as expeditiously as practicable and in any event in accordance with the plans and specifications therefor, the Sublease and Development Plan.

9.7 Certificate of Completion. When the Project, or any part thereof being developed under any Sublease in accordance with any parcelization permitted under the Development Plan, has been completed in accordance with the plans and specifications therefor, the Sublease and the Development Plan and is substantially ready for occupancy but not earlier than sixty days after the Project or such part is available for inspection, BRA shall issue to the Sublessee under such Sublease a Certificate of Completion which shall be in recordable form and conclusive evidence, with respect to any claim by BRA or MPA against such Sublessee, of the fact that the Project or such part has been completed. Issuance of such a Certificate of Completion shall not limit or affect MPA's right against BRA under this Agreement to insist on completion of the Improvements that are the subject thereof in accordance with the plans and specifications therefor,

the Sublease and the Development Plan. If MPA shall request BRA to issue a Certificate of Completion and BRA shall fail or refuse to do so within sixty days of a request by MPA, BRA shall provide MPA with a statement indicating in adequate detail that which has not been completed and what measures will be necessary in BRA's opinion to complete the Project or part thereof. If BRA shall fail or refuse to provide MPA with such a statement within sixty days of a request therefor by MPA or that date on which the work relating thereto is available for inspection, whichever is later, the Project or part thereof shall be deemed to be completed.

ARTICLE X

MAINTENANCE AND OWNERSHIP OF IMPROVEMENTS

10.1 Maintenance. Until, and except insofar as, any Existing Improvements have become a part of the Area of BRA's Responsibility, MPA shall at all times and its expense keep and maintain all Existing Improvements in at least as safe condition as exists as of the date hereof. Except as aforesaid or as otherwise herein provided, neither MPA nor BRA shall be required to maintain, repair or rebuild, or to make any alterations, replacements or renewals of any nature or description to the Premises or any part thereof, whether ordinary or extraordinary, structural or nonstructural, foreseen or unforeseen, or to maintain the Premises or any part thereof in any way.

10.2 Ownership. Upon the expiration or sooner termination, of this Agreement as to any Development Parcel, all of BRA's

right, title and interest in and to the Existing Improvements and Improvements on such Development Parcel shall automatically pass to, vest in, and belong to MPA without further action on the part of either party and without cost or charge to MPA, subject to the rights of any Sublessee or Mortgagee as herein provided.

ARTICLE XI

SUBLEASES; ASSIGNMENTS BY BRA PROHIBITED; OTHER SELECTION OF DEVELOPERS

11.1 BRA's Right to Sublet.

BRA may, subject to the provisions hereinafter set forth, sublease all or any part of the Premises in accordance with an approved Development Plan, each such Sublease to be made expressly subject to this Agreement. Following any such Sublease, and subject to Section 17.10, BRA shall be forever released from any obligation to MPA under this Agreement provided that (a) until any Sublease becomes a Prime Lease pursuant to Section 2.1, BRA will exercise its best efforts to enforce all of the provisions of any Sublease including, at the request of MPA but at BRA's expense as to BRA's counsel, taking all such legal action as may be necessary to enforce any such Sublease provisions and (b) BRA will cause any construction of Improvements provided for in any such Sublease to be completed in accordance with the plans and specifications therefor, such Sublease and the Development Plan. MPA may upon notice to BRA, at its expense and with counsel of its choice, take such action as it deems necessary in its own name to enforce any such provisions, and, on request of

MPA, BRA will join in any lawsuit or other proceeding and otherwise cooperate with MPA.

11.2 Competition for Subleases. Prior to selection of any developer and the execution of a Sublease with it for any Development Parcel, BRA will advertise and make known the availability of such Development Parcel for development and subleasing in an open process assuring competition insofar as is practicable. Any such advertisement or notice will be published and displayed in accordance with BRA's usual procedures for major development projects and will include a statement of any developer or sublessee qualifications or prerequisites for development established by BRA. Nothing in this Section 11.2 shall limit BRA's right to select those developers responding to such initial advertisement or notice from which it wishes to require further submissions or with which it wishes to negotiate.

11.3 Certain Sublease Provisions Not Included. MPA and BRA recognize that certain provisions of any Sublease will be dependent on the Development Plan and the particular facts and circumstances surrounding such Sublease and any development thereunder. Subject to MPA's rights under Section 11.5, such Sublease provisions may be included in any Sublease entered into by BRA so long as the same are not prohibited by or in violation of this Agreement or applicable law.

11.4 Essential Provisions of Subleases. Any Sublease shall in any event include as terms thereof substantially the same

terms as contained in the form of Sublease attached hereto as Exhibit G or such other form of Sublease as may be agreed to from time to time by MPA and BRA. As soon as BRA is aware of any proposed additions to be made to Exhibit G, BRA will deliver a copy of such proposals to MPA.

11.5 MPA's Approval of Subleases. In any event, ninety days prior to the entering into of any Sublease, BRA shall deliver a copy thereof to MPA and shall not enter into such Sublease if MPA reasonably determines and demonstrates to the reasonable satisfaction of BRA that (a) such Sublease is not in accordance with this Agreement and the Development Plan, (b) BRA has not complied with the PAC Contract, (c) any proposed subordination of the Sublessee's rent, or portion thereof, is prohibited by the Act or for other reasons is excessive in terms of sound business or real estate practices of MPA, (d) BRA has failed to comply in all material respects with any developer selection criteria set forth in this Agreement, such Sublease or the Development Plan, (e) any security provisions in such Sublease and all other facts and circumstances relating to such Sublease, taken as a whole, fail to adequately secure such Sublessee's performance, (f) the proposed Sublessee does not have financial capacity to perform the Sublessee obligations and carry out its proposed redevelopment, or real estate development experience, comparable to that of other lessees or developers carrying out comparable projects of BRA or comparable projects in

the City of Boston, (g) such Sublease would unreasonably impede MPA's use of the remaining Project Area upon expiration of this Agreement, if at the time of delivery of such Sublease less than one-half of the Project Area has been subleased or proposed to be subleased in bona fide Subleases that have been executed and delivered to MPA for approval, or (h) BRA or such Sublessee has not provided adequate assurance that the proposed Sublease uses are lawful. In addition, BRA shall not include in any such Sublease any change or addition made to the form of Sublease, attached as Exhibit G, made by BRA in accordance with Section 11.3, which MPA reasonably determines and demonstrates to the reasonable satisfaction of BRA (a) not to be in accordance with sound real estate development or leasing practices then employed by lessors for comparable projects in the City of Boston or (b) to be in violation of the intent of any provision contained in Exhibit G. Within thirty days following the execution of any Sublease, BRA shall deliver to MPA an original counterpart thereof executed by all parties thereto.

11.6 Right to Cure Sublessees' Defaults; Substitute Sublessees.

Until any Sublease becomes a Prime Lease, MPA and BRA shall provide each other with copies of any notices sent to or received from any such Sublessee and shall accept performance and compliance by the party hereto receiving such notice of and with any term, covenant, agreement, provision, condition or limitation on such Sublessee's part to be kept, observed or performed by

such Sublessee. If any Sublease is terminated by MPA, BRA or any Sublessee prior to that date seven years from the Agreement Commencement Date or the Extended Termination Date, BRA may enter into a new Sublease upon and subject to all of the terms and provisions of this Agreement; provided, however, that, if either MPA or BRA exercises any right herein or in any Sublease to terminate any such Sublease without the approval of the other, the party so terminating shall save the other harmless and indemnified from any liability for injury, loss, accident or damage to any person or property and from any claims, actions, proceedings and costs in connection therewith, including reasonable counsel fees, arising from such termination.

11.7 Assignment by BRA Prohibited. Without the previous written consent of MPA which MPA may in its sole discretion withhold notwithstanding, the provisions of Section 17.9, neither BRA or successors in interest by operation of law or otherwise, shall assign this Agreement or except as otherwise permitted under this Article XI permit the Premises or any part thereof to be used or occupied by others. Any consent by MPA to any act of assignment shall be held to apply only to the specific transaction thereby authorized. Such consent shall not be construed as a waiver of the duty of BRA, or the assigns of BRA, to obtain from MPA consent to any other or subsequent assignment, or as modifying or limiting the rights of MPA under the foregoing covenant by BRA not to assign without such consent. Any

violation of any provision of this Agreement, whether by act or omission, by any assignee, shall be deemed a violation of such provision of BRA, it being the intention and meaning of the parties hereto that BRA shall assume and be liable to MPA for any and all acts and omissions of any and all assignees, and occupants.

11.8 Other Selection of Developers. BRA may elect not to lease the Premises as herein provided and to cause developers selected by it to develop the Premises in accordance with the Development Plan (the "Designated Developer") by means other than Subleases. In such event, BRA shall propose other arrangements for selecting Designated Developers and providing them with an interest in the Premises, and MPA and BRA shall proceed with such other arrangements and modifications of this Agreement as they may agree on.

ARTICLE XII

TAXES, UTILITIES AND IMPOSITIONS

12.1 City of Boston Real Estate Taxes. MPA and BRA acknowledge that pursuant to the "AGREEMENT BETWEEN THE MASSACHUSETTS PORT AUTHORITY AND THE CITY OF BOSTON UNDER CHAPTER 332 OF THE ACTS OF 1978", dated as of July 1, 1978, as amended ("MPA's Tax Agreement"), MPA makes an annual payment in lieu of taxes to the City of Boston ("MPA's Total Tax Payment") and that five percent of MPA's Total Tax Payment is allocable to the

Premises ("MPA's Tax Payment Allocable to the Premises"). Notwithstanding the provisions of MPA's Tax Agreement and until the expiration or termination of the last to expire or terminate of the Subleases, MPA's Total Tax Payment will be reduced in each year by a percentage derived by multiplying five percent times a fraction the numerator of which is the total square footage of Development Land in Development Parcels as to which Subleases have been in effect for at least one year as of as of January 1 of such year and the denominator of which is the square footage of Development Land, but not in any event for any such year by more than MPA's Tax Payment Allocable to the Premises. In addition, BRA will include in any Sublease provisions requiring such Sublessee to pay its allocable share based on the part of the Premises subleased by it and determined in accordance with generally accepted accounting principles of any tax, assessment, charge or levy imposed, levied or assessed against MPA other than MPA's Total Tax Payment pursuant to MPA's Tax Agreement, as it may be further amended, or any agreement for payments in lieu of taxes by MPA to the City of Boston pursuant to Chapter 332 of the Acts of 1978.

12.2 Utilities and Impositions. Prior to the same being assumed by any Sublessee in accordance with its Sublease, with respect to the Area of MPA's Responsibility, MPA shall pay or cause to be paid and, with respect to the Area of BRA's Responsibility, BRA shall pay or cause to be paid, (i) all

charges for water, gas, light, heat, telephone, electricity, power and other utility and communication services at any time rendered or used on or about the Premises or such part thereof (all of which are hereinafter called "Utilities"), and (ii) before any fine, penalty, interest or cost may be added thereto for the nonpayment thereof, all assessments, water rates, sewer rents and charges, all sales and use taxes which may be levied or assessed against or payable by MPA or BRA on account of the acquisition, leasing or use of the Premises or such part thereof, and all other governmental charges of every character, general and special, ordinary and extraordinary, and whether or not the same shall have been in the express contemplation of the parties hereto (all of which are hereinafter called "Impositions"), which are assessed, levied, confirmed, imposed or become a lien upon the Premises or such part thereof; provided, however, that if by law, any such Utility or Imposition may at the option of the taxpayer be paid in installments (whether or not interest shall accrue on the unpaid balance of such Utility or Imposition), MPA with respect to an Area of MPA's Responsibility or BRA with respect to an Area of BRA's Responsibility, as the case may be, may exercise the option to pay the same (and any accrued interest on the unpaid balance of such Utility or Imposition) in installments, and shall pay such installments as may become due during the Term of this Agreement as the same respectively become due and before any fine, penalty, interest or cost may be added thereto for the nonpayment of any such installment and interest.

12.3 Permitted Contests. Neither MPA with respect to an Area of MPA's Responsibility nor BRA with respect to an Area of BRA's Responsibility shall be required to pay, discharge, or remove any Imposition (including penalties and interest), upon or against such area, or any part thereof, so long as MPA or BRA, as the case may be, shall in good faith contest the same or the validity thereof by appropriate legal proceedings, and shall give to the other prompt notice in writing of such contest at least ten days before any delinquency occurs, provided that said legal proceedings shall operate to prevent the collection of the Imposition so contested, or the sale of the Premises, or any part thereof, to satisfy the same. In the event of any such contest and the final determination thereof adversely to MPA or BRA, as the case may be, it shall, before any fine, interest, penalty or cost may be added thereto for nonpayment thereof, pay fully and discharge the amounts involved in or affected by such contest, together with any penalties, fines, interest, costs and expenses that may have accrued thereon or that may result from any such contest. Any such proceedings to contest the validity or amount of any Imposition or to recover back any Imposition paid by MPA or BRA may be brought by the contesting party at its expense, in its name or in the name of MPA and BRA, as the contesting party may deem advisable, and the noncontesting party shall cooperate with the other in any such proceeding; provided, however, that the contesting party shall indemnify and save harmless the noncontesting party against any and all loss, cost or expense of any

kind including, but not limited to, reasonable attorneys' fees and expenses, which may be imposed upon or incurred by the non-contesting party in connection therewith. Notwithstanding the foregoing provisions of this Section 12.3, MPA at its sole expense may elect to contest the validity or amount of any Imposition or to recover back any Imposition, with respect to an Area of MPA's Responsibility or an Area of BRA's Responsibility, in its name or in the name of MPA and BRA, as MPA may deem advisable, and may elect to assume sole control of such contest or proceeding to recover back. In such event, MPA shall indemnify and save harmless BRA against any and all loss, cost or expense of any kind including, but not limited to, reasonable attorneys' fees and expenses, which may be imposed upon or incurred by BRA in connection therewith.

12.4 BRA's Compliance with Laws. Prior to the same being assumed by any Sublessee as provided in its Sublease, with respect to the Area of BRA's Responsibility, BRA shall comply with and shall cause such area to comply with all federal, state, county, municipal and other governmental statutes, laws, rules, orders, regulations and ordinances affecting such area or any part thereof, or the use thereof, including those which require the making of any structural, unforeseen or extraordinary changes, whether or not any such statutes, laws, rules, orders, regulations or ordinances which may be hereafter enacted involve a change of policy on the part of the governmental body enacting

the same; provided, however, that BRA shall have no obligation to make, correct or repair a condition existing as of the date on which the affected area became part of the Area of BRA's Responsibility or damage to the extent resulting from such a condition except as may be required by the approved Development Plan.

12.5 Right to Contest Laws. Nothing herein shall limit the right of BRA to contest the application or enforceability of any statute, law, rule, order, or ordinance with which BRA may be requested to comply under Section 12.4, provided, however, that BRA shall indemnify and save harmless MPA against any and all loss, cost or expense of any kind including, but not limited to, reasonable attorneys' fees and expenses, which may be imposed upon or incurred by MPA in connection therewith.

ARTICLE XIII

INSURANCE AND INDEMNIFICATION

13.1 Insurance. Neither MPA nor BRA shall be required to maintain any insurance hereunder.

13.2 Indemnification of MPA. BRA shall save MPA harmless and indemnified from any liability for injury, loss, accident, or damage to any person or property, and from any claims, actions, proceedings and costs in connection therewith, including reasonable counsel fees, arising from wrongful acts or negligence of BRA, or its agents, servants, employees, licensees, invitees, guests and customers or arising from any use made or things done

by BRA or anyone claiming under it, on or about the Premises, or otherwise occurring thereon, and not due to wrongful act or negligence of MPA, any Sublessee whose Sublease has become a Prime Lease, or the agents, servants or employees of either.

13.3 Indemnification of BRA. MPA shall save BRA harmless and indemnified from any liability for injury, loss, accident or damage to any person or property, and from any claims, actions, proceedings and costs in connection therewith, including reasonable counsel fees, arising from wrongful acts or negligence of MPA, or its agents, servants, employees, licensees, invitees, guests and customers or arising from any use made or things done by MPA or anyone claiming under it, on or about the Premises, or otherwise occurring thereon, and not due to wrongful act or negligence of BRA or any Sublessee whose Sublease has not become a Prime Lease, or the agents, servants or employees of either.

ARTICLE XIV

CASUALTY AND REPAIR

14.1 BRA's Option to Terminate. If such a part of the Premises is damaged or destroyed by fire or other casualty such that the remaining Premises cannot be used and developed as herein provided as an economically feasible Project, BRA may terminate this Agreement by giving sixty days prior notice to MPA within sixty days of such damage or destruction, unless MPA responds to such notice from BRA with a notice stating that MPA will restore the Premises to substantially their condition prior

to such casualty and diligently commences and prosecutes to completion such restoration.

ARTICLE XV

EMINENT DOMAIN

15.1 Taking of Whole or Substantial Portion. If the whole of the Premises or all of the Improvements located therein or thereon, or such a substantial portion thereof such that the remaining Premises cannot be used and developed as herein provided as an economically feasible Project, shall be taken by any exercise of the right of eminent domain by any public or other authority, this Agreement and the Term hereof shall terminate as of the day when possession is required by the taking or in the case of a taking of less than all of the Premises on the day of such possession or notice thereof from BRA given within sixty days of such taking, whichever is later, and all rent and other payments hereunder shall be apportioned as of the date of termination.

15.2 Taking by MPA; Waiver by BRA. Nothing in this Agreement or any Sublease shall limit the right of MPA to acquire the leasehold estate created hereby or the estate created by any Sublease, or any part of either, by eminent domain or limit the right of any Sublessee to compensation as a result thereof notwithstanding that any Sublessee's Sublease may not at such time have become a Prime Lease and that BRA shall not be entitled to any such compensation except as hereinafter provided. If any

taking is made by MPA prior to the execution of any Sublease, BRA shall be entitled to an award therefor based on the fair market value of BRA's leasehold interest determined as if BRA were entitled to all income under the Agreement and obligated to pay a fair market rent to MPA determined as of the date of this Agreement. Except as aforesaid, BRA hereby waives any right to share or otherwise participate in any eminent domain or condemnation award made with respect to the Premises as a result of a taking by MPA or any other taking authority.

ARTICLE XVI

DEFAULT

16.1 Default, Notices. If (i) any material default by BRA continues, (a) in case of any payment of money for more than twenty days after notice from MPA to BRA of such default or (b) in any other case for more than sixty days after notice from MPA to BRA of such default and such additional time, if any, as is reasonably necessary to cure the default; (ii) BRA shall file a petition in bankruptcy or any reorganization proceeding or proceeding in bankruptcy shall be instituted against it and not dismissed within sixty days; (iii) a receiver of BRA's assets shall be appointed and not stayed or vacated within sixty days of appointment; (iv) BRA shall be dissolved or its assets transferred; or (v) BRA shall make an assignment in violation of Section 11.7; MPA thereupon may terminate this Agreement upon fifteen days prior notice, and the Term shall thereupon cease and

expire at the end of such fifteen day period. In the event that this Agreement terminates as aforesaid or if such notice is given, MPA shall have the immediate right of reentry and possession of the Premises and the right to remove all persons and property therefrom if the Lease of the Premises by BRA as herein described has commenced. Should MPA elect to reenter as herein provided or should MPA take possession pursuant to legal proceedings or pursuant to any notice provided for by law, MPA may thereafter either terminate the Term of this Agreement or from time to time, without terminating the Term of this Agreement, relet the Premises or any part thereof for such term or terms and at such rental or rentals and upon such terms and conditions as MPA may deem advisable, with the right to make alterations and repairs to the Premises.

16.2 Rights in Event of Termination. In the event of any termination of the Term of this Agreement as provided in Section 16.1 or as otherwise permitted by law, MPA may enter upon the Premises, and again have, repossess and enjoy the same as if the Agreement had not been made, and in any such event neither BRA nor any person claiming through or under BRA shall be entitled to possession or to remain in possession of the Premises but shall forthwith quit and surrender the same, and MPA may proceed with any rights or remedies available to it under law or equity.

Section 16.3 Rights of MPA in Event of Reentry. If MPA shall reenter and obtain possession of the Premises by reason of

or following any default of BRA and subject to BRA's rights to cure under Section 16.1, whether or not the Term shall have terminated, MPA shall have the right, without notice, to repair or alter the Premises in such manner as MPA may deem necessary or advisable so as to put the Premises in good order and to make the same rentable, considering the use of the Premises immediately prior thereto, and shall have the right, at MPA's option, to relet the Premises or any part thereof, and BRA agrees to pay MPA on demand all expenses incurred by MPA in obtaining possession, and in repairing and putting the Premises in good order and condition, and in reletting the same.

16.4 No Termination. No such reentry or taking of possession of the Premises by MPA shall be construed as an election on MPA's part to terminate the Term unless a notice of such intention is given to BRA or unless the termination hereof is decreed by a court of competent jurisdiction.

16.5 Remedies Not Exclusive; MPA's Right to Recover Rent Limited.

No right or remedy herein conferred upon or reserved to MPA or BRA is intended to be exclusive of any other right or remedy, except as expressly stated herein, and each and every right and remedy shall be cumulative and in addition to any other right or remedy given hereunder, or now or hereafter existing at law or in equity or by statute, except such rights or remedies as are expressly limited herein. Without limitation of the foregoing, prior to the Lease Commencement Date, BRA shall have the

right upon any default by MPA to seek specific performance or other injunctive or extraordinary relief. MPA's remedies for nonpayment of rent or additional rent by any Sublessee shall be limited to the remedies set forth in this Agreement and any remedies at law or in equity or by statute MPA has against such Sublessee but shall not include the right to recover such amounts from BRA unless the same have been paid as rent or additional rent to BRA by such Sublessee.

ARTICLE XVII

MISCELLANEOUS

17.1 Furnishing of Reports and Studies. MPA and BRA shall each make available to the other promptly upon the availability thereof such reports and studies relating to the Premises and the construction of Improvements including without limitation any studies and reports prepared by consultants to MPA or BRA.

17.2 Separability of Provisions. If any of the terms, provisions or conditions of this Agreement, including the Exhibits hereto, or the application thereof to any person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Agreement and the application of such term, provision or condition to persons or circumstances other than those to which it is held invalid or unenforceable shall not be affected thereby and each of the other terms, provisions and conditions of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

17.3 Mutual Acknowledgement of any Termination. If this Agreement is terminated before the Term expires, the parties shall execute, deliver and record an instrument acknowledging such fact and the date of termination of this Agreement.

17.4 Titles Not Definitive. The Table of Contents and headings and titles of Articles, Sections and Exhibits are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope or intent of this Agreement, or in any way affect it.

17.5 Notices. Every notice, demand, approval, request and statement ("notice") required or permitted to be given under this Agreement shall be in writing and deemed to have been duly given only when delivered by hand or mailed by certified or registered mail, with return receipt requested, addressed in the case of notice to MPA to it at:

99 High Street
Boston, Massachusetts 02110
Attention of the Executive Director

and in the case of notice to BRA to it at:

City Hall
Boston, Massachusetts 02201
Attention of the Director

or in the case of either party to such other address as that party shall from time to time have designated by written notice given to the other party, as herein provided.

17.6 Notice of Lease. Subject to the provisions of Section 17.12, following the date hereof, the parties shall execute a

notice of lease in form which may be recorded or registered or both, in accordance with the provisions of General Laws, c. 183, Section 4.

17.7 All Agreements Included. This instrument and the attached Exhibits contain all of the agreements made between the parties hereto, is binding upon and shall enure to the benefit of their respective successors and assigns, and may not be modified in any manner other than by an instrument in writing executed by the parties or their respective successors in interest. The Exhibits attached hereto are hereby made a part hereof.

17.8 No Waiver by MPA or BRA. No waiver by MPA or BRA of any breach of any covenant, agreement or condition herein contained and no failure by either party to make any payments on behalf of the other or to exercise any right or remedy in respect of any breach hereunder, shall constitute a waiver or relinquishment for the future of any such covenant, agreement or condition or of any subsequent breach of any such covenant, agreement or condition, or bar any right or remedy of MPA or BRA in respect of any such subsequent breach, and the receipt of any rent by MPA or other sum or sums of money or charges under any of the covenants, agreements or provisions herein contained or any portion thereof, shall not operate as a waiver of the rights of MPA to enforce the payment of any other such rent or to require the performance of any other covenant, condition or agreement hereof then or thereafter in default, or to invoke any other appropriate remedy which

MPA may select as herein or by law provided, except as such remedy may be limited or restricted hereby.

17.9 Approvals. Any requested approval, consent, concurrence, finding or other action of any nature whatsoever hereunder shall not be unreasonably delayed or withheld, or both, unless otherwise expressly herein provided, and shall be given or withheld, as the case may be, if by MPA, by its Chairman of the Board, Executive Director or Secretary-Treasurer and, if by BRA, by its Director.

17.10 Survival of Certain Terms. Notwithstanding the expiration or termination of this Agreement or anything else herein provided, the following Sections shall continue in full force and effect until the expiration or termination of the last Sublease to expire or terminate: Sections 11.1, 13.2 and 13.3.

17.11 Force Majeure. In the event performance of any of their respective covenants, agreements or obligations under this Agreement by MPA or BRA is prevented, interrupted or delayed by causes beyond its control, including but not restricted to strike, lockout, action of labor unions, storm, flood, fire, explosion, epidemic, acts of God or of the public enemy, acts of government, acts of the other party prohibited by this Agreement, war invasion, insurrection, riot, other violence or sabotage, failure of transportation, freight embargo, inability (notwithstanding good faith and diligent efforts) to procure or general shortage of labor, equipment, facilities, materials, or

supplies in the open market, inability (notwithstanding good faith and diligent efforts) to obtain governmental permits or approvals or delays of subcontractors due to such causes, and not caused by any act or failure to act by the party thereby delayed in such performance, the date or time or times for the performance of such covenant, agreement or obligation by MPA or BRA shall be extended by the period of time during which performance is so prevented, interrupted or delayed and, in such case, neither MPA nor BRA shall be liable for any costs, losses, damages, injuries or liabilities caused to or suffered or incurred by MPA or BRA in connection with, or as the result of, any such delay in, or nonperformance of, such covenant, agreement or obligation. In the event that MPA or BRA intends to avail itself of the provisions of this Section 17.11, MPA or BRA, as the case may be, shall give written notice of such intent to the other, such notice to be given not more than fifteen days from the date performance of such covenant, agreement or obligation was so prevented, interrupted or delayed.

17.12 Condition to Agreement; Planning Activities. Certain transactions forming a part hereof or being carried out in connection herewith may, upon the occurrence of the Lease Commencement Date, involve a transfer of the use of land or other activity requiring compliance with Sections 61 and 62 of Chapter 30 of the Massachusetts General Laws and any regulations thereunder (which transfer or other activities are hereinafter

referred to as "Nonexempt Activities"), and other activities permitted by BRA hereunder may not require any such compliance (which activities are hereinafter referred to as "Planning Activities"). BRA may engage only in those Planning Activities and Nonexempt Activities that MPA and BRA have agreed are exempt from all the requirements of Chapter 30 or, where not exempt, are in compliance with all such requirements, as the case may be, and the effective date of this Agreement with respect to, and the right and obligation to perform, all other Nonexempt and Planning Activities shall be deemed to be postponed; provided, however, that if such requirements have not been satisfied on or before that date four years from the date hereof, this Agreement shall terminate in all respects and be of no further force or effect.

IN WITNESS WHEREOF, MPA and BRA have caused this Agreement to be executed by their duly authorized officers under seal as of the date first above written.

MASSACHUSETTS PORT AUTHORITY

By _____

BOSTON REDEVELOPMENT AUTHORITY

By _____

EXHIBIT A
DESCRIPTION OF THE PREMISES

The land and appurtenant rights to the adjoining water areas, if any, shown on the attached (i) plan of "LAND OF THE COMMONWEALTH OF MASSACHUSETTS AT COMMONWEALTH PIER NO. 1 IN EAST BOSTON, MASS.", and (ii) plan dated November 25, 1947 showing Land Conveyed by B.&.A.R.R. Co. to Commonwealth of Massachusetts. MPA and BRA shall substitute for such plans as promptly as practicable a metes and bounds description of the Premises.

LAND OF THE
COMMONWEALTH OF MASSACHUSETTS
AT
COMMONWEALTH PIER No. 1
IN
EAST BOSTON, MASS.
TO BE INCORPORATED IN THE PROPOSED
PIER DEVELOPMENT TO BE KNOWN AS THE
EAST BOSTON PIER No. 1



152A
original of this Plan was left for
and in the Suffolk Registry of
the same in file.

1000 line half.
John C. Cady

BOSTON & ALBANY R.R.

THE N.Y.C. R.R. CO. LESSEE

EAST BOSTON

Land Conveyed by B. & A. R.R. Co to
Commonwealth of Massachusetts

Office of District Engineer Boston

Scale 1 in. = 100 ft.

Nov. 25, 1947

Approved C. T. Gungallus
District Engineer

Land of Commonwealth of Massachusetts

Boston Harbor

Harbor Line of 1889 7
992.70

AREA 1,689,340 SQ. FT.

PARCEL No. 1

Clyde Street

Street

1506.49

Marginal

License of April 26, 1908
Commonwealth of Massachusetts
Suffolk Deeds Book 116-9 Page 589

PARCEL No. 2

Harbor Line of 1889 7
281.44
741.00
145.00

Boston Harbor

Land of United States of America

750
The original of this Plan was left for
Record in the Suffolk Registry of
Deeds and is on file.

A True Copy

Recorded and filed in an inch

Wm. A. Alcholsen C.E.

City of Boston
County of Suffolk
Commonwealth of Massachusetts

EXHIBIT B
WORK PROGRAM

Phase I - Planning Process / Within 2 months of Agreement
Commencement Date

- A. Establish PAC Contract and any Bylaws and Articles of Incorporation
- B. Establish BRA Planning Team for Project

Phase II - Site Analysis / Within 6 months of Agreement Commencement
Date

- A. Prepare technical report detailing site parameters
- B. Review with PAC

Phase III - Planning-Design Within 19 months of Agreement
Commencement Date

- A. Review existing literature
- B. Analyze alternatives and develop conceptual use options for the entire site for PAC review
- C. Establish Design Criteria with PAC review
- D. Prepare Preliminary Master Plan (for purposes of this Exhibit B, the term "Master Plan" shall mean guidelines for site development including proposed land uses, which take into consideration the objectives of the development of the Project, on the one hand, and site constraints such as access and the surrounding neighborhood, on the other) for PAC review
- E. Prepare Financial Program for infrastructure work
- F. Modify Master Plan with PAC input and issue Final Master Plan

Phase IV - Development Plan / Within 28 months of Agreement
Commencement Date

- A. Prepare Development Plan with requisite documentation
- B. Review of PAC, adoption by BRA and approval by MPA

Phase V - Environmental Review and Other Approvals / Within 52
months of Agreement Commencement Date

- A. Prepare draft of any environmental impact report and/or statement required by law with respect to the adoption of the Development Plan. ("Environmental Reporting").
- B. Finalize Environmental Reporting
- C. Submit Plan for other reviews and approvals required by law

Phase VI - Developer selection and construction / Within 7 years of
Agreement Commencement Date

- A. Verify funding sources for infrastructure improvement
- B. Submit public funding applications

- C. Establish and review with PAC the process to be established for developer solicitation and selection
- D. Invite developers to submit qualifications
- E. Select developers with PAC participation
- F. Assist in developer/Assessor tax negotiation
- G. Shape schedule for development
- H. Joint review of developer submissions with MPA
- I. Execute Subleases or enter into arrangements in accordance with the Agreement with developers
- J. Oversee construction process

EXHIBIT C
PAC CONTRACT PROVISIONS

1. The charter membership of the PAC governing body shall consist of those persons whose names are set forth in a letter relating thereto from the Director of BRA to the Executive Director of MPA a list of which names will be affixed to this Exhibit at the time of execution and delivery.

The PAC will be a self renewing entity with any vacancies in the governing body filled through appointment by a quorum of that body, and without any interference by BRA or MPA.

2. BRA shall conduct periodic meetings with the PAC to discuss project status. BRA shall give the PAC prompt access upon request to information as well as professional advice on the Project.
3. BRA shall adequately analyze and recommend mitigating measures for any adverse impacts on areas of community concern caused by a specific development project. These areas shall include without limitation noise and traffic levels, visual sightlines, public access to the water and building heights of proposed development.

EXHIBIT D
THIRD HARBOR CROSSING PLAN

EXHIBIT D

Beginning at a point on the line of the northwesterly side of Pier 1 which is 25 feet northwesterly of the Pier 1 building as shown on Exhibit "D", dated June 24, 1981, thence running;

Northeasterly by a line along the northwesterly side of Pier 1 to the northerly corner of Pier 1, thence running;

Northeasterly by that same line extended to a point on the MassPort property line along the southwesterly side of Marginal Street, thence running;

Northwesterly along said property line for a distance of 125 feet ±, thence running;

Southwesterly along the line 125 feet ± parallel to the northwesterly side of Pier 1 extended, to the shoreline, thence running;

Northwesterly by a line along said shoreline to the MassPort property line, thence running;

Southwesterly and southerly along the MassPort property line to a point of intersection with the northwesterly side of Pier 1 extended southwesterly, thence running;

Northeasterly along said extended line to the point of beginning.



MASSPORT PROPERTY LINE

BUFFER AREA

SHORE LINE

MARGINAL ST.

LEWIS ST.

BREMEN ST

125'

25'

ORLEANS ST

PIER 1 BUILDING

EXHIBIT "D"

PLAN OF THIRD HARBOR
CROSSING BUFFER AREA
WITHIN MASSPORT PROPERTY IN
EAST BOSTON, MASSACHUSETTS
JUNE, 24 1981

GRAPHIC SCALE IN FEET
0 50 100

EXHIBIT E

RENT

The term "Fair Market Return" as used herein means the amount composed of the following three elements: (1) the amount, as of the date in question, which a lessor, willing but not obligated to lease, would accept as an annual rental under a lease of the Sublease Premises and which a lessee, willing but not obligated to lease, would pay thereunder in an arm's length transaction, which element is hereinafter separately referred to as the "Fair Market Rent"; (2) the calculation or other procedure including, but not limited to, the determination of a percentage of the gross revenues received by a Sublessee from the Sublease Premises, the periodic reappraisal of the Fair Market Rent, or the application of an economic indicator or other index used to monitor prevailing economic conditions which, when added to, substituted for, or otherwise applied to the Fair Market Rent established at the time of execution of a Sublease, adjusts the amount of the Fair Market Rent to reflect changes in the prevailing economic conditions, which element is hereinafter separately referred to as the "Adjustment Formula"; and (3) the percentage of the proceeds of any sale, refinancing, or other transfer of a lessee's interest in the Sublease Premises that a lessor would need to receive as a return on its interest in a lease in order to be induced to enter into a lease of the Sublease Premises, which element is hereinafter referred to separately as the "Residual Return". Throughout the term of a Sublease, and commencing immediately upon the execution of a

Sublease, the Fair Market Rent shall be adjusted in accordance with the Adjustment Formula, provided that no such adjustment shall reduce the Fair Market Rent below the amount of the Fair Market Rent at the time of execution of a Sublease. The term "Sublease Year" as used herein means that the twelve month period commencing on the effective date of a Sublease and on each anniversary thereof. For each Sublease Year in the term of a Sublease, the Sublessee shall pay to MPA an annual rental in an amount equal to the Fair Market Rent as herein defined, determined, and adjusted payable in advance in equal monthly installments. Upon the sale, refinancing, or other transfer of a Sublessee's interest in the Sublease Premises, the Sublessee shall pay to MPA the Residual Return as herein defined and determined. The Fair Market Return, including each of the elements thereof, shall be determined by the parties at the time of execution of a Sublease or, if the parties are unable to make such determination, by appraisal according to the following procedure.

Upon a failure of the parties to so determine the Fair Market Return, either party may give written notice of such failure to the other party (the "notice date"). Within fifteen days after the notice date MPA and BRA shall each select an appraiser to participate in the determination of the Fair Market Return (the "selected appraisers"). If either party fails to so select an appraiser within fifteen days after the notice date, the party so failing to select an appraiser shall be deemed to be

in default and the appraiser that was to be selected by the defaulting party shall be selected by the Chief Judge of the Massachusetts Superior Court or any successor court of original jurisdiction upon the application of the party not in default. Immediately after both selected appraisers have been so selected (the "selection date"), the selected appraisers shall proceed with all reasonable dispatch to determine the Fair Market Return in accordance with the appraisal provisions set forth herein-after. The preparation by the selected appraisers of a written determination of the Fair Market Return agreed upon and signed by both selected appraisers (the "selected appraisers' determination") shall serve to terminate the appraisal procedure.

Upon a failure of the selected appraisers to so make a selected appraisers' determination within fifteen days after the selection date, the selected appraisers shall together appoint a third appraiser (the "appointed appraiser" and, together with the selected appraisers, the "appraisers") within thirty days after the selection date. If the selected appraisers fail to make such appointment within thirty days after the selection date, then the appointed appraiser shall be appointed by the Chief Judge of the Massachusetts Superior Court or any successor court of original jurisdiction upon the application of either party on behalf of both parties. Immediately after such appointment of the appointed appraiser (the "appointment date"), the appraisers shall proceed with all reasonable dispatch to determine the Fair Market

Return in accordance with the appraisal provisions set forth hereinafter. The preparation by the appraisers of a written determination of the Fair Market Return agreed upon and signed by any two of the three appraisers (the "appraisers' determination") shall serve to terminate the appraisal procedure.

Upon a failure of the appraisers to so make an appraisers' determination within ninety days after the appointment date, each of the selected appraisers shall immediately make an individual advisory determination of the Fair Market Return (the "advisory determinations") and, immediately thereafter, the appointed appraiser, acting alone, shall proceed to determine the Fair Market Return in accordance with the appraisal provisions set forth hereinafter, provided that such appointed appraiser's determination of the Fair Market Rent shall not be lower than the lower of the two advisory determinations nor higher than the higher of the two advisory determinations of the Fair Market Rent and provided that such appointed appraiser's determination of the Residual Return shall not be lower than the lower of the two advisory determinations nor higher than the higher of the two advisory determinations of the Residual Return. The preparation by the appointed appraiser of such determination of the Fair Market Return in writing and signed by the appointed appraiser (the "appointed appraiser's determination") shall be completed within one hundred days after the appointment date and shall serve to terminate the appraisal procedure.

The determination of the Fair Market Return to be made as provided herein by the selected appraisers, the appraisers, or the appointed appraiser, as the case may be, is to be made taking into consideration as they are applicable the following items and factors referred to herein as the "appraisal provisions":

1. the location of the Sublease Premises;
2. the character of the neighborhoods and areas surrounding the Sublease Premises;
3. the size, shape, and topography of the Sublease Premises;
4. the site preparation costs involved in the development of the Sublease Premises for the use or uses contemplated herein;
5. the financial risks involved in the development of the Sublease Premises for the use or uses contemplated herein;
6. the existing rental values of other real property in the City of Boston and, in the immediate area of the Sublease Premises which is similar in size, shape, and physical characteristics to the Sublease Premises;
7. the availability on the rental market of other real property in the City of Boston and in the immediate area of the Sublease Premises which is similar in size, shape, and physical characteristics to the Sublease Premises;
8. the existing rental values of other real property in the City of Boston and in the immediate area of the Sublease Premises which is being devoted to a use that is the same as or similar to the use or uses contemplated herein;
9. the trend of rental values of real property in the City of Boston and in the immediate area of the Sublease Premises;
10. the amount of the continuing expenditures to be borne by a Sublessee for public and private services

(e.g., water, electricity, security) involved in the development and use of the Sublease Premises as contemplated herein;

11. the property tax burden on the Sublease Premises;

12. any use restrictions on the Sublease Premises imposed by any applicable law;

13. the use restrictions on the Sublease Premises under the provisions of the Development Plan or other applicable planning, subdivision, redevelopment, or urban renewal control;

14. the use restrictions on the Sublease Premises under any agreements or covenants; and

15. any necessary costs and expenses to be borne by a Sublessee of removing any such use restrictions on the Sublease Premises if such action is necessary to devote the Sublease Premises to the use or uses contemplated herein;

16. any necessary costs and expenses to be borne by a Sublessee of obtaining any licenses, permits, and other approvals required by state or local statutes which may be required to devote the Sublease Premises to the use or uses contemplated herein;

17. the existence of any other interests in the Sublease Premises that materially conflict with the use or uses of the Sublease Premises contemplated herein.

Upon the preparation as herein provided of a selected appraisers' determination, an appraisers' determination, or an appointed appraiser's determination, as the case may be, the appraiser or appraisers that prepared and signed such determination shall give written notice thereof to MPA, BRA, and Sublessee which notice shall include a copy of such determination, and the Fair Market Return set forth in such determination shall be considered the Fair Market Return for the

purposes of this Agreement and the Sublease in question and shall be binding upon MPA, BRA, and Sublessee.

In the event that one of the appraisers fails, refuses, or is otherwise unable to participate in the preparation of a determination of the Fair Market Rent Return as provided herein (the "inactive appraiser"), written notice thereof shall be given by the other appraiser or appraisers, as the case may be, to each of the parties. Immediately after the service of such notice (the "substitution date"), a substitute appraiser (the "substitute appraiser") shall be selected or appointed to replace the inactive appraiser, which selection or appointment shall be made in the same manner as hereinbefore provided for the selection or appointment of such inactive appraiser with the exception that the substitution date is to be used in place of the notice date with respect to the timing of such selection or appointment. Any appraiser that is selected or appointed to participate in determining the Fair Market Return as provided herein shall be disinterested, shall be a member of the American Institute of Real Estate Appraisers (or any successor association or body of comparable standing if such Institution is not then in existence), and shall be familiar with property values and appraisal procedures used in metropolitan Boston, Massachusetts. Each party shall pay the fees and expenses of the selected appraiser and any substitute appraiser or appraisers selected by such party, and the fees and expenses of the appointed appraiser and any substitutes therefor and all other expenses, if any, shall be borne by both parties in equal amounts.

EXHIBIT F
EXISTING TENANTS

EAST BOSTON PIERS

<u>Tenant</u>	<u>Type of Space</u>	<u>Square Feet</u>	<u>Arrangement</u>
American Jet Industries	outside storage	1,500	
Atlantic Signal	inside storage	1,683	T.A.W.
Auto City	office		
Bethlehem Steel	outside parking	12,000	T.A.W.
Boston Harbor Sailing Club	inside storage	10,000	T.A.W.
Boston Pilots	inside storage	625	Lease expires
	office	1,062	12/31/81
	berth rights	150 lin. ft.	then T.A.W.
Sam Colsia	berthing rights	40 lin. ft.	
	inside storage	2,000	
Deleco Industries	outside storage	2,000	Lease expires 2/28/81 then T.A.W.
Fournier Marine Corp.	outside storage	1,500	Lease expires
	berth rights	400 lin. ft.	5/31/81 then T.A.W.
Georges Loading	inside storage	1,093	T.A.W.
	outside storage	691	
Jet Line Service	inside storage	5,000	
	berthing rights	150 lin. ft.	T.A.W.
Lynnway Boat Service (not executed)	berthing rights	100 lin. ft.	T.A.W.
Kevin Millerick	berthing rights	50 lin. ft.	

<u>Tenant</u>	<u>Type of Space</u>	<u>Square Feet</u>	<u>Arrangment</u>
Ocean Star Boat	inside storage	2,500	Lease expires
	office		2/28/81
	berthing rights	150 lin. ft.	then T.A.W.
Packet Row	berthing rights	100 lin. ft.	Lease expires
			12/31/81
			then T.A.W.
Pollution Control	inside storage	2,000	T.A.W.
W.N. Proctor	office	905	
Ridewell	office	273	
	locker	671	
	outside parking	25 buses	
Stone & Downer	office	364	
J.F. Walton	outside storage	10,912	
	inside storage	660	
East Boston Central Catholic High School	outside storage	400 approx.	T.A.W. - no charge to school
Knights of Columbus	inside storage	100 approx.	T.A.W. - no charge to Knights of Columbus

EXHIBIT G
FORM OF SUBLEASE

6/23/81

SUBLEASE INDENTURE

THIS INDENTURE OF SUBLEASE made and entered into as of the _____ day of _____, _____ by and between BOSTON REDEVELOPMENT AUTHORITY, a public body politic and corporate organized under the laws of the Commonwealth of Massachusetts ("Sublessor"), and _____ ("Sublessee").

WITNESSETH

PRELIMINARY STATEMENT

The parties hereto recognize and recite the following facts, conditions and determinations upon which the covenants and agreements herein are based.

Pursuant to the Lease (as hereinafter defined), Sublessor has leased the premises of which the Sublease Premises (as hereinafter defined) are a part. In accordance with the Lease, Sublessor and Sublessee now wish to enter into this Sublease.

NOW, THEREFORE, in consideration of the mutual promises herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Sublessor and Sublessee hereby agree as follows:

ARTICLE I

DEFINITIONS

As used in this Sublease, the following terms shall have the following meanings and references:

1.1 "Development Plan". "Development Plan" shall mean the development and land use plan to be prepared by Sublessor in accordance with the provisions of the Lease and applicable law.

1.2 "Extended Termination Date". "Extended Termination Date" shall mean that date determined in accordance with Section 2.3.

1.3 "Improvements". "Improvements" means any building or improvement permitted to be built or rebuilt in, on or upon the Sublease Premises in accordance with this Sublease and the Development Plan.

1.4 "Lease". "Lease" shall mean the Agreement between Sublessor and Lessor dated _____.

1.5 "Lessor". "Lessor" shall mean the Massachusetts Port Authority or any successor in interest under the Lease.

1.6 "MPA's Total Tax Payment". "MPA's Total Tax Payment" shall have the same meaning set forth in Section 12.1 of the Lease.

1.7 "Mortgage". "Mortgage" shall mean any one or more mortgages, deeds of trust, deeds to secure debt, loan deeds, trust indentures, security agreements or any similar security or title retention device which shall, from time to time, create a lien upon the interest of Sublessee and which shall be security for one or more notes, bonds, or other evidence of indebtedness issued by Sublessee to a Mortgagee or held by a Mortgagee.

1.8 "Mortgagee". "Mortgagee" shall mean any lender, or its designee, in whose favor a Mortgage shall have been created, or trustee named therein.

1.9 "Prime Lease". "Prime Lease" shall mean this Sublease when it becomes a prime lease between Lessor and Sublessee upon the termination or partial termination of the Lease.

1.10 "Project". "Project" means the project to be carried out in accordance with this Sublease and the Development Plan.

1.11 "Sublease". "Sublease" means this Sublease.

1.12 "Sublease Premises". "Sublease Premises" means the demised premises more particularly described in Exhibit A.

1.13 "Sublease Year". "Lease Year" shall mean that twelve month period commencing on the date hereof and on each anniversary thereof.

ARTICLE II

SUBLEASE OF PREMISES; TERM; CONVERSION TO PRIME LEASE

2.1 Sublease of Premises. Sublessor, for and in consideration of the rents, covenants and agreements herein reserved, mentioned and contained on the part of Sublessee to be paid, kept, observed and performed by these presents hereby leases, rents, lets and demises unto Sublessee, and Sublessee hereby takes and hires, upon and subject to the conditions and limitations hereinafter expressed, the Sublease Premises, to have and to hold the Sublease Premises, subject as aforesaid, and subject to the terms, covenants, agreements and provisions hereof, unto Sublessee for the uses and purposes set forth herein for the Term.

2.2 Term. Unless sooner terminated as herein provided, the Term of this Sublease shall be for the period commencing on the date hereof and ending at midnight on that date [no later than the latest stated maturity of then outstanding bonds of Lessor or any later date then permitted by law up to 40 years from the date hereof] from the date hereof unless the Term is extended to the Extended Termination Date in accordance with Section 2.3 in which event the Term shall end on such date.

2.3 Extended Termination Date. Sublessee may extend the Term of this Sublease for up to an additional twenty-five years [subject to any then existing legal restriction that the Term expire no later than the latest stated maturity of then outstanding bonds of Lessor] upon the terms and conditions herein contained, upon notice to Lessor at any time at least three years before the expiration of the Term; provided, however, that if at least fifteen years before the expiration of the Term, Lessor has notified Sublessee that the Premises or part thereof will be needed, based on detailed analysis and advice from a qualified maritime business planning consultant, for the purposes for which it was originally acquired or to accommodate future demand for public marine terminal services within the Port of Boston, Sublessee's right to so extend shall be limited to such part of the Premises, if any, and such period of the additional twenty-five years, if any, for which Lessor has no need as aforesaid. In addition, at any time during the Term, Sublessee, upon a

demonstration to the reasonable satisfaction of Lessor that financing the construction of Improvements proposed under this Sublease would require an extension of the Term, may request that Lessor extend the Term of this Sublease for a period that would result in a Term, as so extended, of not more than seventy five years. Lessor promptly shall review and respond to but shall have no obligation to grant any such request by Sublessee. Any date to which the Term of this Sublease is extended in accordance with this Section 2.3 shall be referred to herein as the "Extended Termination Date".

2.4 Dissolution of Lessor. The Term of this Sublease shall not be affected by or end as a result of the dissolution of Lessor or transfer of its properties to the Commonwealth or to any successor in title, but the Term and the subleasehold estate created hereby shall continue in effect, notwithstanding such dissolution or transfer.

2.5 Conversion from Sublease to Prime Lease. Upon the issuance by Sublessor of a Certificate of Completion in accordance with Section 6.3, this Sublease shall be deemed to be a Prime Lease between Lessor and Sublessee. Lessor shall have no liability for any covenant, agreement or other action of Sublessor arising prior to the date on which this Sublease becomes a Prime Lease, and, from and after such date all of Sublessor's rights hereunder shall terminate.

ARTICLE III

TITLE AND CONDITION OF PROPERTY

3.1 Title. The Premises are subject to:

(a) the existing state of title thereof as of the date hereof;

(b) any state of facts that an accurate survey or physical inspection thereof might show:

(c) all laws and regulations now in effect or hereafter adopted by any governmental authority having jurisdiction; and

(d) the physical condition of buildings, structures and other improvements and any fixtures, located on the Premises as of the date hereof, without representation or warranty of any kind by Sublessor.

Sublessee represents to Sublessor that it has examined the title to the Sublease Premises and all matters related to subsections (a), (b), (c) and (d) above, prior to the execution and delivery of this Sublease, and has found the same to be satisfactory for all purposes hereof.

3.2 Condition of Property. Sublessor hereby expressly disclaims any warranties of any nature, express or implied, as to the structural integrity of the Sublease Premises, and any other warranties of any nature, express, implied or otherwise except as expressly set forth in this Sublease, and Sublessee hereby accepts the Sublease Premises "as is". Sublessor represents and

warrants that the Sublease Premises are free and clear of all tenants and occupants except those listed and described on Exhibit B.

ARTICLE IV

RENT

4.1 Rent. Sublessee covenants to pay to Lessor, at Lessor's address for notices set forth in Section 16.4 hereof or at such place or to such person as Lessor from time to time may designate in writing by notice to Sublessee, for the Sublease Premises, commencing on the date hereof and thereafter throughout the Term, an annual rental equal to ONE DOLLAR (\$1.00) [plus such amount as has been determined in accordance with Exhibit E of the Lease.]

4.2 Additional Rent. Sublessee covenants to pay and discharge when the same shall become due, as additional rent, all other amounts, liabilities and obligations which Sublessee by or pursuant to this Sublease assumes or agrees to pay or discharge, together with every fine, penalty, interest and cost which may be added for nonpayment or late payment thereof, and in the event of any failure on the part of Sublessee to pay or discharge any of the foregoing, Sublessor and, subject to Section _____, Lessor, shall have all rights, powers and remedies as are provided herein or by law in the case of nonpayment of the rent or additional rent.

4.3 Net Sublease. This Sublease is a net lease, and the annual rent and all other sums payable hereunder by Sublessee shall be paid without notice or demand, and without set-off, counterclaim, abatement, suspension, deferment, deduction or defense.

4.4 No Termination. Except as otherwise expressly herein provided, this Sublease shall not terminate, nor shall Sublessee have the right to terminate this Sublease or be entitled to the abatement of any rent hereunder or any reduction or allocation thereof, nor shall the obligations of Sublessee under this Sublease be otherwise affected, by reason of any damage to or the destruction of all or any part of the Sublease Premises from whatever cause, or the taking of the Sublease Premises or any portion thereof by condemnation, requisition or otherwise for any reason whatever, or the prohibition, limitation or restriction of Sublessee's use of all or any part of the Sublease Premises, or the interference with such use by any persons, or by reason of any eviction by paramount title or otherwise or by reason of the foreclosure of any Mortgage or for any other cause whether similar or dissimilar to the foregoing, any present or future law to the contrary notwithstanding, it being the intention of the parties hereto that the obligations of Sublessee hereunder shall be separate and independent covenants and agreements, that the Rent and all other sums payable by Sublessee hereunder shall continue to be payable in all events, and that

the obligations of Sublessee hereunder shall continue unaffected, unless the requirement to pay or perform the same shall have been terminated pursuant to any express provision of this Sublease.

4.5 Sublessor's Bankruptcy, etc. Sublessee covenants and agrees that it will remain obligated under this Sublease in accordance with its terms, and that Sublessee will not take any action to terminate, rescind or avoid this Sublease, by virtue of the bankruptcy, insolvency, reorganization, composition, re-adjustment, liquidation, dissolution, winding-up or other proceeding affecting Sublessor or any assignee of Sublessor, or by virtue of any action with respect to this Sublease which may be taken by any trustee or receiver of Sublessor or any assignee of Sublessor in any such proceeding, or by any court in any such proceeding; provided, however, that nothing in this Section 4.5 shall be construed as a waiver of any of the Sublessee's rights as specified in this Sublease.

ARTICLE V

USE OF SUBLEASE PREMISES; ENTRY BY SUBLESSOR;

QUIET ENJOYMENT

5.1 Sublessee's Uses. Sublessee may use the Sublease Premises only as provided therefor in the Development Plan and shall construct the Improvements provided in the Development Plan for the Sublease Premises.

5.2 Nondiscrimination. Sublessee agrees for itself, its successors and assigns, and every successor in interest to

the subleasehold estate in the Sublease Premises, or any part thereof, that Sublessee and such successors and assigns, shall not discriminate upon the basis of race, color, religion, sex or national origin in the sale, lease, or rental or in the use or occupancy of the Sublease Premises, any Improvements erected or to be erected thereon, or any part thereof. The agreements and covenants provided in this Section 5.2 hereof shall be covenants running with the land and shall, in any event, and without regard to technical classification or designation, legal or otherwise, and except only as otherwise specifically provided in this Sublease, be binding, to the fullest extent permitted by law and equity, for the benefit and in favor of, and enforceable by the Sublessor, its successors and assigns.

5.3 Entry by Sublessor and Lessor. Sublessor and Lessor may enter into the Premises at all reasonable times upon prior notice to Sublessee for the purpose of inspecting the same in order to determine whether Sublessee is in compliance with this Sublease or for exercising any other rights retained by Sublessor or Lessor hereunder. Such right of entry does not impose, and neither Sublessor nor Lessor assumes, any responsibility or liability for the repair, maintenance or supervision of the Sublease Premises except as otherwise expressly provided in this Sublease.

5.4 Quiet Enjoyment. If and so long as Sublessee shall observe and perform all covenants, agreements and

obligations required by Sublessee to be observed and performed hereunder, Sublessor or any person claiming under or through Sublessor shall not interfere with the lawful, peaceful and quiet occupation and enjoyment of the Sublease Premises by Sublessee for the purposes and uses herein permitted.

ARTICLE VI

CONSTRUCTION OF IMPROVEMENTS

6.1 Sublessee's Duties. Sublessee will not do or permit any construction or make or permit any other improvements or alterations, to the Sublease Premises, except in accordance with the Development Plan and plans and specifications therefor submitted to and approved by Sublessor in accordance with its design review and other requirements, as the same may exist from time to time. Sublessee shall commence construction of the Improvements no later than one year following the date hereof or earlier as may be required by Sublessor and shall diligently prosecute such construction to completion.

6.2 Permits. Sublessor shall cooperate with Sublessee in Sublessee's efforts to obtain any necessary governmental permit or approval required for construction of the Improvements, but all expenses thereof shall be borne by Sublessee.

6.3 Certificate of Completion. When the Improvements to be constructed hereunder, or any phases of construction of the Improvements permitted under the Development Plan, have been completed and are substantially ready for occupancy, Sublessor

shall issue to Sublessee a Certificate of Completion which shall be in recordable form and conclusive evidence, with respect to any claim by Lessor or Sublessor against Sublessee, of the fact that the Improvements or such phase of construction has been completed. If Sublessee shall request Sublessor to issue a Certificate of Completion and Sublessor shall fail or refuse to do so within sixty days of a request by Sublessee, Sublessor shall provide Sublessee with a statement indicating in adequate detail that which has not been completed and what measures will be necessary in Sublessor's opinion to complete the Improvements or phase of construction thereof. If Sublessor shall fail or refuse to provide Sublessee with such a statement within sixty days of a request therefor by Sublessee or that date on which the work relating thereto is available for inspection by Sublessor, whichever is later, and, having received a copy of such request in accordance with Section 14.4; if Lessor shall fail or refuse to provide Sublessee with such a statement, the Improvements or phase of construction thereof shall be deemed to be completed.

ARTICLE VII

MAINTENANCE, OWNERSHIP AND ALTERATION OF IMPROVEMENTS

7.1 Sublessee shall, at all times and at its expense, keep and maintain the Sublease Premises, including any altered, rebuilt, additional or substituted buildings, structures and other improvements thereto, in good and safe condition and repair and appearance, except for ordinary wear and tear, and will with

reasonable promptness make all structural and nonstructural, foreseen and unforeseen and ordinary and extraordinary changes and repairs of every kind and nature which may be required to be made upon or in connection with the Sublease Premises or any part thereof in order to keep and maintain such Sublease Premises in good and safe condition and appearance. Sublessor shall not be required to maintain, repair or rebuild, or to make any alterations, replacements or renewals of any nature or description to the Sublease Premises or any part thereof, whether ordinary or extraordinary, structural or nonstructural, foreseen or unforeseen, or to maintain the Sublease Premises or any part thereof in any way.

7.2 Ownership. Upon the expiration or sooner termination of this Sublease, all of Sublessee's right, title and interest in and to the Improvements shall automatically pass to, vest in, and belong to Sublessor, subject to all of the provisions of the Lease including without limitation Article XI, without further action on the part of either party and without cost or charge to Sublessor, subject to the rights of any Mortgagee as provided herein.

7.3 Alterations and Additions. Sublessee shall not make or permit to be made any material alteration of, addition to or change in the Improvements, or demolish all or any part of the Improvements, without the prior consent of Sublessor and Lessor and except in accordance with the Development Plan. In

requesting such consent, Sublessee shall submit to Sublessor detailed plans and specifications of the proposed work and an explanation of the need and reasons therefor in such detail as reasonably may be requested by Sublessor.

7.4 Compliance During Alterations. All work done in connection with each such addition, alteration or change shall comply with the requirements of any insurance policy required to be maintained by Sublessee hereunder. Sublessee shall promptly pay all costs and expenses of each such addition, alteration, substitution or replacement and shall discharge all liens filed against the Sublease Premises arising out of the same. Sublessee shall procure and pay for all permits and licenses required in connection with any such addition, alteration, substitution or replacement. At Sublessee's request, Sublessor shall join in applications for any such permits and licenses where joinder therein is required by law. Sublessee shall save Sublessor harmless and indemnified from any liability claim, action, proceeding or cost, including reasonable counsel fees, arising from Sublessee's failure to proceed in accordance with any such permit or license.

ARTICLE VIII

TRANSFER OF SUBLEASEHOLD INTEREST; SUBLEASE

8.1 Sublessee's Right to Assign, Mortgage or Sublet.

(a) This Sublease may be assigned by Sublessee from time to time in whole or in part without prior approval of Sublessor, but only if Sublessee shall not be in material default

under this Sublease at the time of such assignment in respect of any matter of which it has received written notice of default. Upon making any such assignment, Sublessee shall furnish Sublessor promptly with an executed copy of the instrument of assignment and with an agreement in proper form for recording, executed by the assignee and satisfactory to Sublessor, in which such assignee assumes and agrees to observe and perform all the covenants, conditions and agreements in this Sublease on the part of the Sublessee to be observed or performed. Notwithstanding any such assignment, the assignor will remain as fully liable on all Sublessee obligations as though no such assignment had occurred.

(b) Sublessee from time to time may grant Mortgages of the subleasehold estate. The making of any Mortgage shall not be deemed to constitute an assignment, and any Mortgagee not in possession shall not be deemed an assignee of the subleasehold estate so as to require such Mortgagee to assume the obligations of Sublessee hereunder, but a Mortgagee in possession and the purchaser at any sale of the subleasehold estate upon foreclosure of a Mortgage, or the assignee of the subleasehold estate pursuant to an assignment in lieu of such foreclosure shall be deemed to be an assignee of Sublessee and shall be deemed to have assumed the obligations of Sublessee hereunder from and after the date of such purchase or assignment.

(c) Sublessee and its assignees as aforesaid, may, subject to the provisions hereinafter set forth, sub-sublease all or any part of the Sublease Premises, each such sub-sublease to be made expressly subject to this Sublease. No such sub-sublease referred to in this clause (c) shall affect or reduce any of the obligations of Sublessee, and all such obligations shall continue in full effect as the obligations of a principal and not as the obligations of a guarantor or surety, to the same extent as though no sub-subletting had been made.

Sublessee shall, within ten days after the execution and delivery of any such sub-sublease, deliver a conformed copy thereof to the Sublessor.

8.2. Nondisturbance and Attornment.

(a) Upon the termination of the term of the Lease, or any extension thereof, before the expiration of the Term of this Sublease, as this Sublease may be renewed in accordance with the terms hereof, for any reason other than condemnation, fire or other damage, this Sublease, if then in existence, shall continue as a lease between Lessor, as lessor, and Sublessee, as lessee, with the same force and effect as if Lessor and Sublessee had entered into a lease as of the date of the termination of the Lease, containing the same terms, covenants and conditions as those contained in this Sublease, including the rights of renewal thereof, for a term equal to the unexpired term of this Sublease

(b) The rights in this Section 8.2 shall inure to the benefit of only the Sublessee herein named and shall not pass to any assignee of this Sublease or any other party, unless the liability of the assignor of this Sublease shall survive such assignments.

(c) From and after such termination of the Lease;

(i) Sublessee will attorn to Lessor, and Lessor will accept such attornment.

(ii) Lessor will have the same remedies by entry, action or otherwise for the nonperformance of any agreement contained in this Sublease for the recovery of rent, the commission of any waste or any cause of forfeiture which Sublessor had or would have had if the Lease had not been terminated.

(iii) From and after the time of such attornment, Sublessee shall have the same remedies against Lessor for the breach of an agreement contained in this Sublease that Sublessee might have had against Sublessor if the Lease had not been terminated, except that Lessor shall not be (a) liable for any act or omission of Sublessor, (b) subject to any offsets or defenses which Sublessee might have against Sublessor, or (c) bound by any rent or additional rent which might have been paid in advance to Sublessor.

(d) Neither Sublessee nor its successors or assigns shall enter into any agreement which shall modify, surrender or merge this Sublease. Any agreement made in contravention to the provisions of this paragraph (d) shall be of no force or effect as to Lessor.

(e) In case any lease or tenancy shall come into existence between Lessor and Sublessee pursuant to the provisions of this Section 8.2, the provisions of paragraph (f) hereof shall apply to any liability imposed upon Lessor, by reason of such lease or tenancy.

(f) The term "Lessor" as used in this Section 8.2 means only the owner for the time being of the Sublease Premises, so that in the event of any sale or other transfer of an interest therein, Lessor shall be and hereby is entirely freed and relieved of all covenants and obligations of the Lessor hereunder. The provisions of this Section 8.2, however, shall bind any subsequent owner for the time being of the Sublease Premises.

8.3 Subordination. [At the time of approval of this Sublease by Lessor, Sublessor may request Lessor's approval such subordination provisions as it deems necessary].

8.4 Rights of Mortgagees. Upon and following receipt by Sublessor of written notice of the recording of a Mortgage and the address of the Mortgagee, and thereafter while such Mortgage is outstanding, whether held by the original Mortgagee thereunder or its successors or assigns and whether given in substitution or

replacement for or subsequent to any other Mortgage, Sublessor agrees as follows:

(i) Sublessor shall give to any Mortgagee a copy of any default notice given to Sublessee under Section 13.1, and shall accept performance by such Mortgagee of any covenant, agreement or obligation of Sublessee contained in this Sublease with the same force and effect as though performed by Sublessee.

(ii) Sublessor shall not accept a voluntary surrender of this Sublease and shall not further amend this Sublease without in each instance receiving the approval of any Mortgagee.

(iii) Sublessor shall from time to time provide to any Mortgagee promptly upon request an estoppel certificate setting forth the existence or nonexistence of known defaults under this Sublease and any other matters germane to this Sublease or its financing which may reasonably be requested by such Mortgagee.

(iv) The provisions of this Section 8.4 are for the benefit of any Mortgagee and may be relied upon and shall be enforceable by any Mortgagee. Neither any Mortgagee nor any other holder or owner of the indebtedness secured by any Mortgage shall be liable upon the covenants, agreements or obligations of Sublessee contained in this Sublease, unless and until the Mortgagee, holder or owner becomes Sublessee hereunder.

ARTICLE IX

TAXES; ASSESSMENTS AND IMPOSITIONS

9.1 City of Boston Taxes. Sublessee shall (a) pay to the City of Boston, at the times and in the manner provided in Chapter 59 of the Massachusetts General Laws or any successor or substitute law, payments equal in amount to the real and personal property tax payments that would be paid by any other property owner owning the Sublease Premises in fee and without regard to Lessor's interest or any exemption of Sublessor or Lessor from real estate taxes; and (b) shall pay its allocable share based on the part of the Premises subleased by it and determined in accordance with generally accepted accounting principles of any tax, assessment, charge or levy imposed, levied or assessed against Lessor other than MPA's Total Tax Payment, as it may be further amended, or any agreement for payments in lieu of taxes by Lessor to the City of Boston pursuant to Chapter 332 of the Acts of 1978. Sublessee shall have no right of recovery against Lessor or Sublessor for any such payments by deduction from rent or by any other means.

9.2 Assessments and Impositions. As additional rent hereunder, Sublessee shall pay or cause to be paid (i) all charges for water, gas, light, heat, telephone, electricity, power and other utility and communication services at any time rendered or used on or about the Sublease Premises, and (ii) before any fine, penalty, interest or cost may be added thereto

for nonpayment thereof, all assessments, water rates, sewer rents and charges, all sales and use taxes which may be levied or assessed against or payable by such Sublessee on account of the acquisition, leasing or use of the Sublease Premises or any portion thereof, and all other governmental charges of every character, general and special, ordinary and extraordinary, and whether or not the same shall have been in the express contemplation of the parties hereto (all of which assessments, water rates, sewer rents and charges, other governmental charges and real and personal property tax payments required under Section 9.1 are hereinafter called "Impositions"), which are assessed, levied, confirmed, imposed or become a lien upon the Sublease Premises; provided, however, that if by law, any such Imposition may at the option of the taxpayer be paid in installments (whether or not interest shall accrue on the unpaid balance of such Imposition) Sublessee may exercise the option to pay the same (and any accrued interest on the unpaid balance of such Imposition) in installments, and shall pay such installments as may become due during the Term of this Sublease as the same respectively become due and before any fine, penalty, interest or cost may be added thereto for the nonpayment of any such installment and interest.

9.3 Excluded Impositions. The term "Imposition" does not include, and nothing contained in this Sublease shall require Sublessee to pay, any franchise, corporate, estate, inheritance,

succession, capital levy or transfer tax, or any income, excess profits or revenue tax of Lessor, or any other tax, assessment, charge or levy upon the rent payable by the Sublessee under this Sublease, unless any such tax, assessment, charge or levy is imposed or levied upon or assessed against Sublessor in substitution for or in place of any other tax, assessment, charge or levy referred to in Section 9.1 or 9.2 or is the responsibility of Sublessee pursuant to Section 9.1(b). Any tax, assessment, charge or levy imposed, levied or assessed against Sublessor in substitution for or in place of any other tax, assessment, charge or levy referred to in Section 9.1 or 9.2 or otherwise payable by Sublessee under Section 9.1(b) shall be deemed to be an "Imposition" and shall be payable by Sublessee if specifically determinable, and only to the extent that such substitute Imposition would be payable if the Sublease Premises were the only property of Sublessor subject to such Imposition.

9.4 Permitted Contests by Sublessee. Sublessee shall not be required to pay, discharge, or remove any Imposition (including penalties and interest), upon or against the Sublease Premises, or any part thereof, so long as Sublessee shall in good faith contest the same or the validity thereof by appropriate legal proceedings, and shall give to Sublessor prompt notice in writing of such contest at least ten days before any delinquency occurs, provided that said legal proceedings shall operate to prevent the collection of the Imposition so contested, or the

sale of the Sublease Premises, or any part thereof, to satisfy the same. In the event of any such contest and the final determination thereof adversely to Sublessee, Sublessee shall, before any fine, interest, or penalty pay fully and discharge the amounts involved in or affected by such contest, together with any penalties, fines, interest, costs and expenses that may have accrued thereon or that may result from any such contest by Sublessee. Any such proceedings to contest the validity or amount of any Imposition or to recover back any Imposition paid by Sublessee may be brought by Sublessee at its expense, in the name of Sublessor or in the name of Sublessee, or both, as Sublessee may deem advisable, and Sublessor shall cooperate with Sublessee in any such proceeding; provided, however, that if any such proceeding shall be brought by Sublessee, Sublessee shall indemnify and save harmless Sublessor against any and all loss, cost or expense of any kind including, but not limited to, reasonable attorneys' fees and expenses, which may be imposed upon or incurred by Sublessor in connection therewith.

9.5 Apportionment of Impositions. Any Imposition relating to a fiscal period of the taxing authority, a part of which is within the Term and a part of which is prior or subsequent to the Term, shall whether or not such Imposition shall be assessed, levied, imposed, or become a lien upon the Sublease Premises or shall become payable during the Term, be apportioned and adjusted between Sublessor and Sublessee as of the date

hereof or last day of the Term, as the case may be, so that Lessor shall pay that proportion of such Imposition which that part of such fiscal period included in the period of time prior to the effective date of the Sublease or subsequent to the end of the Term bears to such fiscal period, and Sublessee shall pay the remainder thereof. With respect to any Imposition for public improvements or benefits which by law is payable, or at the option of the taxpayer may be paid, in installments, Sublessor shall pay the installments thereof which become due and payable subsequent to the end of the Term, and Sublessee shall pay all such installments which become due and payable at any time during the Term even though payment is postponed beyond the end of the Term by Sublessee.

9.6 Sublessee's Compliance with Laws. Sublessee shall, at its sole cost and expense, comply with and shall cause the Sublease Premises to comply with (i) all federal, state, county, municipal and other governmental statutes, laws, rules, orders, regulations and ordinances affecting the Sublease Premises or any part thereof, or the use thereof, including those which require the making of any structural, unforeseen or extraordinary changes, whether or not any such statutes, laws, rules, order, regulations or ordinances which may hereafter be enacted involve a change of policy on the part of the governmental body enacting the same, and (ii) all rules, orders and regulations of the National Board of Fire Underwriters or similar

bodies, which apply to the Sublease Premises. Sublessee shall comply with each and every requirement of policies of public liability, fire and other insurance which at any time may be in force with respect to the Sublease Premises.

9.7 Sublessee's Right to Contest Laws. Nothing herein shall limit the right of any Sublessee to contest the application or enforceability of any statute, law, rule, order, or ordinance with which Sublessee may be requested to comply under Section 9.6; provided, however, that Sublessee shall indemnify and save harmless Sublessor against any and all loss, cost or expense of any kind including, but not limited to, reasonable attorneys' fees and expenses, which may be imposed upon or incurred by Sublessor in connection therewith.

ARTICLE X

INSURANCE AND INDEMNIFICATION

10.1 Insurance. Sublessee shall maintain in force at its expense during the Term, the following insurance:

(a) Fire and extended coverage insurance in amounts of not less than one hundred percent of the full insurance value thereof. The term "full insurance value" as used herein means the actual replacement costs (excluding foundation and excavation costs), with no deduction for physical depreciation, and shall be determined from time to time upon Sublessor's request by an appraiser approved by Sublessor.

(b) Comprehensive personal injury and property damage liability insurance against claims for bodily injury or death and damage to personal property including liability resulting from the use of automobiles and aircraft, completed operations hazards, and contractual liability subject to a limit of not less than Five Million Dollars (\$5,000,000) for each occurrence covering the Sublease Premises, and subject to increase from time to time as determined by an appraiser approved by Sublessor.

(c) Workmen's Compensation and Employer's Liability Insurance.

(d) Such other insurance in such amounts and against such other hazards which at the time are commonly obtained in the case of property similar to the Sublease Premises.

10.2 Insurers, Policies and Provisions. All insurance required hereunder shall be effected with insurers acceptable to Sublessor and Lessor and under valid and enforceable policies naming Lessor, Sublessor and Sublessee as their interests appear, as insureds thereunder. Nothing herein shall prevent such insurance being effected by blanket policies covering other property of Sublessee, so long as the coverage required herein is afforded. All insurance required hereunder:

(a) shall provide by endorsement for immediate written notice to Sublessor of any material change in it and at least thirty days prior notice to Sublessor if it is to be cancelled or not renewed; and

(b) shall be evidenced by Sublessee's promptly furnishing Sublessor certified copies of all pertinent policies or certificates thereof.

10.3 Subrogation and Waiver of Rights. All insurance, whether or not required hereunder, carried by Sublessor or Sublessee, with respect to the Sublease Premises or any part thereof, or occurrences thereon, if either party so requests and it can be so written, and if it does not result in additional premium or the requesting party agrees to pay any additional premium, shall include either provisions designating the requesting party as one of the insureds or provisions denying to the insurer acquisition by subrogation of rights of recovery against the requesting party to the extent the rights have been waived by the insured prior to occurrence of loss or injury. Such provisions shall require each party notwithstanding any provisions of this Sublease to the contrary to waive any rights of recovery against the other for loss or injury against which the waiving party is protected by insurance containing provisions denying to the insurer acquisition of rights by subrogation, reserving, however, any rights with respect to any excess of loss or injury over the amount covered by the insurance.

10.4 Sublessor's Rights if Sublessee Fails to Insure. In case Sublessee fails to furnish Sublessor with any policy of insurance, or receipt for payment of the premium thereon, or in case Sublessee fails to furnish Sublessor with a renewal policy

of insurance and receipt for payment of the premium of the renewal policy thirty days before the expiration of an existing policy, Sublessor or, upon its failure to elect, Lessor may, at its option, but shall not be required to, procure the same or pay the premium therefor; the cost thereof shall be payable by Sublessee on demand of Sublessor or Lessor, as the case may be, and shall be deemed to be, and collectible as, additional rent.

10.5 Indemnification of Sublessor. Sublessee shall save Sublessor and Lessor harmless and indemnified from any liability for injury, loss, accident, or damage to any person or property, and from any claims, actions, proceedings and costs in connection therewith, including reasonable counsel fees, arising from wrongful acts or negligence of Sublessee, or its agents, servants, employees, licensees, invitees, guests and customers or arising from any use made or things done by Sublessee or anyone claiming under it, on or about the Sublease Premises, or otherwise occurring thereon, and not due to wrongful act or negligence of Sublessor, or its agents, servants or employees.

10.6 Indemnification of Sublessee. Sublessor shall save Sublessee harmless and indemnified from any liability for injury, loss, accident or damage to any person or property, and from any claims, actions, proceedings and costs in connection therewith, including reasonable counsel fees, arising from wrongful acts or negligence of Sublessor, or its agents, servants, employees, licensees, invitees, guests and customers or

arising from any use made or things done by Sublessor or anyone claiming under it, on or about the Sublease Premises, or otherwise occurring thereon, and not due to wrongful act or negligence of Sublessee or its agents, servants or employees.

ARTICLE XI

CASUALTY AND REPAIR

11.1 Repair by Sublessees of Damage; Disbursement of Insurance Proceeds. If the Improvements on the Sublease Premises or any part hereof shall at any time or times during the continuance of the Term be destroyed or damaged by fire or other casualty, and as often as any such Improvements may be destroyed or damaged by fire or other casualty, Sublessee shall, at its expense and subject to the provisions of this Sublease be required to commence and complete in good and workmanlike manner, the reconstruction or repair of any part of the Sublease Premises damaged or destroyed to the condition before the fire or casualty, after Sublessor has approved Sublessee's plans, drawings, specifications and construction schedule for such construction or repair.

[11.2 Sublessee's Option to Terminate. Any such rights will be determined at the time of approval of this Sublease.]

11.3 Repairs and Reconstruction by Sublessee. Sublessee shall furnish complete plans, specifications, and other construction details for any proposed repair or reconstruction

work to be undertaken in accordance with Section 11.1 at least thirty days prior to the commencement thereof, and such work shall thereafter be carried on only in conformity therewith. If Sublessor does not so approve any of Sublessee's proposed work in writing, it shall set forth promptly the reasons for such refusal to approve and Sublessee shall have the right to refer the same to binding arbitration under the rules of the American Arbitration Association. The parties will share the costs of such arbitration and will instruct the arbiter that the intended result is as promptly as possible to establish plans, specifications and construction details for the proposed work that adequately protect Sublessor's interest but permit the work, if appropriate, to commence as soon as reasonably possible.

11.4 Damage to Sublessees Caused by Acts or Omissions of Sublessor. Notwithstanding any other provision of this Article XI, if any damage or destruction is caused by, or is the result of, any act or omission by Sublessor or any agent, servant, or employee of Sublessor, Sublessee shall do the work and make the repairs as applicable, and Sublessor shall pay to Sublessee an amount equal to the reasonable cost thereof less the amount of any insurance proceeds payable to Sublessee by reason of such damage or destruction.

ARTICLE XII

EMINENT DOMAIN

[Any rights and obligations with respect to eminent domain will be determined at the time of approval of this Sublease.]

ARTICLE XIII

DEFAULT

13.1 Default, Notices. If (i) any material default by Sublessee continues (a) in case of any payment of money for more than twenty days after notice from Sublessor to Sublessee of such default or (b) in any other case for more than sixty days after notice from Sublessor to Sublessee of such default and such additional time, if any, as is reasonably necessary to cure the default; (ii) Sublessee shall file a petition in bankruptcy or any reorganization proceeding or proceeding in bankruptcy shall be instituted against it and not dismissed within sixty days; (iii) a receiver of Sublessee's assets shall be appointed and not stayed or vacated within sixty days of appointment; or (iv) Sublessee shall be dissolved or its assets transferred; Sublessor thereupon may terminate this Sublease upon fifteen days prior written notice, and the Term shall thereupon cease and expire at the end of such fifteen day period. In the event that this Sublease terminates as aforesaid or if such notice is given, Sublessor shall have the immediate right of reentry and possession of the Sublease Premises and the right to remove all persons and property therefrom. Should Sublessor elect to re-enter as herein provided or should Sublessor take possession pursuant to legal proceedings or pursuant to any notice provided for by law, Sublessor may thereafter either terminate the Term of this Sublease or from time to time, without terminating the Term

of this Sublease, relet the Sublease Premises or any part thereof for such term or terms and at such rental or rentals and upon such terms and conditions as Sublessor may deem advisable, with the right to make alterations and repairs to the Sublease Premises.

13.2 Rights in Event of Termination. In the event of any termination of the Term of this Sublease as provided in Section 13.1 or as otherwise permitted by law, Sublessor may enter upon the Sublease Premises, and again have, repossess and enjoy the same as if the Sublease had not been made, and in any such event neither Sublessee nor any person claiming through or under Sublessee by virtue of any statute or of any order of any court shall be entitled to possession or to remain in possession of the Sublease Premises but shall forthwith quit and surrender the same, and Sublessor may proceed with any rights or remedies available to it under law or equity.

Section 13.3 Rights of Sublessor in Event of Reentry. If Sublessor shall reenter and obtain possession of the Sublease Premises by reason of or following any default of Sublessee, whether or not the Term shall have terminated, Sublessor shall have the right, without notice, to repair or alter the Sublease Premises in such manner as Sublessor may deem necessary or advisable so as to put the Sublease Premises in good order and to make the same rentable, considering the use of the Sublease Premises immediately prior thereto, and shall have the right, at

Sublessor's option, to relet the Sublease Premises or any part thereof, and Sublessee agrees to pay Sublessor on demand all expenses incurred by Sublessor in obtaining possession, and in repairing and putting the Sublease Premises in good order and condition, and in reletting the same, and Sublessee further agrees to pay to Sublessor, on the dates on which rent would have been due as specified herein following such reentry until the end of the Term, the sum of money which would have been payable by Sublessee as rent and additional rent, if Lessor had not re-entered and resumed possession of the Premises, deducting only the net amount of rent, if any, which Sublessor shall actually receive (after deducting from the gross receipts the expenses, costs and payments of every kind of Sublessor which in accordance with the terms of this Sublease would have been borne by Sublessee) in the meantime from and by any reletting of the Sublease Premises, and Sublessee hereby agrees to be and remain liable for all sums aforesaid, as well as for any deficiency aforesaid, and Sublessor shall have the right from time to time to begin and maintain successive actions or other legal proceedings against Sublessee for the recovery of such deficiency or damages or for a sum equal to any installment or installments of rent and additional rent and to recover such sums upon the liability of Sublessee herein provided, which liability it is expressly covenanted shall survive the issuance of any action to secure possession of the Sublease Premises. Nothing herein contained

shall be deemed to require Sublessor to wait to begin such action or other legal proceedings until the date when the Term would have expired had there been no such default by Sublessee.

13.4 No Termination. No such reentry or taking of possession of the Sublease Premises by Sublessor shall be construed as an election on Sublessor's part to terminate the Term unless a notice of such intention is given to Sublessee or unless the termination hereof is decreed by a court of competent jurisdiction.

13.5 Remedies Not Exclusive. No right or remedy herein conferred upon or reserved to Sublessor or Sublessee is intended to be exclusive of any other right or remedy, except as expressly stated herein, and each and every right and remedy shall be cumulative and in addition to any other right or remedy given hereunder, or now or hereafter existing at law or in equity or by statute, except such rights or remedies as are expressly limited herein.

13.6 Rights of Mortgagees in the Event of Default. Sublessor's rights and remedies hereunder shall be subject to the rights of any Mortgagee provided herein.

ARTICLE XIV

MISCELLANEOUS

14.1 Separability of Provisions. If any of the terms, provisions or conditions of this Sublease, including the Exhibits hereto, or the application thereof to any person or circumstances

shall, to any extent, be invalid or unenforceable, the remainder of this Sublease and the application of such term, provision or condition to persons or circumstances other than those to which it is held invalid or unenforceable shall not be affected thereby and each of the other terms, provisions and conditions of this Lease shall be valid and enforceable to the fullest extent permitted by law.

14.2 Mutual Acknowledgement of any Termination. If this Sublease is terminated before the Term expires, the parties shall execute, deliver and record an instrument acknowledging such fact and the date of termination of this Sublease.

14.3 Titles Not Definitive. The Table of Contents and headings and titles of Articles, Sections and Exhibits are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope or intent of this Sublease, or in any way affect it.

14.4 Notices. Every notice, demand, approval, request and statement ("notice") required or permitted to be given under this Sublease shall be in writing and deemed to have been duly given only when delivered by hand or mailed by certified or registered mail, with return receipt requested, addressed in the case of notice to Lessor to it at:

99 High Street
Boston, Massachusetts 02110
Attention of the Executive Director

and in the case of notice to Sublessor to it at:

City Hall
Boston, Massachusetts 02201
Attention of the Director

and in the case of notice to Sublessee to it at:

or in the case of any party to such other address as that party shall from time to time have designated by written notice given to the other parties, as herein provided. Lessor and Sublessor shall each provide the other with copies of all notices to or from Sublessee.

14.5 Notice of Lease. The parties shall execute a notice of lease in form which may be recorded or registered or both, in accordance with the provisions of General Laws, c. 183, Section 4.

14.6 All Agreements Included. This instrument and the attached Exhibits contain all of the agreements made between the parties hereto, is binding upon and shall enure to the benefit of their respective successors and assigns, and may not be modified in any manner other than by an instrument in writing executed by the parties or their respective successors in interest. The Exhibits attached hereto are hereby made a part hereof.

14.7 No Waiver by Sublessor or Sublessee. No waiver by Sublessor or Sublessee of any breach of any covenant, agreement or condition herein contained and no failure by either party to make any payments on behalf of the other or to exercise

any right or remedy in respect of any breach hereunder, shall constitute a waiver or relinquishment for the future of any such covenant, agreement or condition or of any subsequent breach of any such covenant, agreement or condition, or bar any right or remedy of Sublessor or Sublessee in respect of any such subsequent breach, and the receipt of any rent by Sublessor or other sum or sums of money or charges under any of the covenants, agreements or provisions herein contained or any portion thereof, shall not operate as a waiver of the rights of Sublessor to enforce the payment of any other such rent or to require the performance of any other covenant, condition or agreement hereof then or thereafter in default, or to invoke any other appropriate remedy which Sublessor may select as herein or by law provided, except as such remedy may be limited or restricted hereby.

14.8 Approvals. Any requested approval, consent, concurrence, finding or other action of any nature whatsoever hereunder shall not be unreasonably delayed or withheld, or both, unless otherwise expressly herein provided, and in the case of Sublessor shall be given or withheld, as the case may be, by its Director.

IN WITNESS WHEREOF, Sublessor and Sublessee have caused this Sublease to be executed by their duly authorized officers under seal as of the date first above written.

BOSTON REDEVELOPMENT AUTHORITY

By _____

[SUBLESSEE]

By _____

Massachusetts Port Authority hereby joins in this Sublease for the purpose of covenanting to perform the obligations of Lessor set forth in Sections _____ hereof and enforcing the rights of Lessor set forth in Sections _____ hereof. In addition and not in limitation of the foregoing, if Sublessee shall become in default of the due performance or observance of any term, covenant or condition which this Sublease requires it to perform or observe, for the benefit of Sublessor or Lessor, whether under any provisions referred to in the preceeding sentence or otherwise, and shall fail to cure such default within the time periods set forth in Section 13.1, Lessor may proceed directly against Sublessee to enforce its rights including, without limitation, proceeding with the same remedies by entry, action or otherwise for the nonperformance of any agreement contained herein for the recovery of rent, the commission of any waste or any cause of forfeiture which Sublessor has hereunder.

MASSACHUSETTS PORT AUTHORITY

By _____

Date _____